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EUROPEAN UNREST MOST UPSETTING TO EXPORT TRADE

But Rise In Pound Has Greatly Helped Our Commerce

HIGH EXPORT FREIGHT

Exporter Believes Foreign Trade is Thus Handicapped —Good Conditions Good —Western Outlook Better

In regard to Canada's highly important export trade, both in manufactured and agricultural products, there has been no development in recent years which has meant so much as the return of British buying power as represented by the rise in the pound sterling. The developments on the continent in their effect upon European exchanges are, therefore, of great importance and are being closely watched by the business community. The outlook in that direction is not reassuring, as was emphasized on his Canadian visit by Sir Robert Horne, who pointed out that the economic destruction of Germany would be felt by the whole world. He expressed the opinion that the French campaign was shortsighted in that internal German taxes would only tend to interfere with the productivity of the German people and that every mark must be paid in marks, while if Germans were allowed to manufacture goods and export, taxes could be collected in foreign currencies. Further the tendency was to drive capital out of Germany and production both by capital and labor was handicapped. However, the danger of an outbreak as the result of the French occupation is evidently passing and the situation is regarded with more equanimity in America where increasing domestic prosperity is indicated and the outlook is being reflected by the stock markets and other business barometers. How long the forward movement can be maintained on its rather doubtful economic foundation is a matter for considerable difference of opinion with business leaders.

High Rates on Exports

The effect of the unsettled conditions in Europe, particularly in regard to exchange, is referred to as an important factor in export prospects by W. R. Drynan, secretary-treasurer of Dominion Canners, Hamilton, who has recently returned from the old world. Mr. Drynan says that Canadian export business will necessarily be restricted in many lines of manufacture because of the high costs of transportation and labor. In his opinion it is difficult to understand why the Canadian transportation companies are apparently giving more favorable rates of freight for goods coming into Canada than for goods going out; this is a question which should have the most careful consideration of the government if export business in manufactured products is to be encouraged. Regarding conditions in Great Britain, Mr. Drynan says:

Speaking generally, conditions in Great Britain are good with some businesses and bad with certain others. In certain parts of the country labor is well employed and in other parts the situation is very bad. There are very good prospects, however, for improved business during 1923 and Canadian Exporters will no doubt get more or less business according to the amount of energy they put into the matter. Recent cables from England are to the effect that trade is still depressed.

It is certainly a pleasure to do business in England where buyers treat their contracts sacredly, and where men notwithstanding conditions warranting the greatest gloom maintain their optimism as to the future, and the impression left with the writer when he was in Great Britain and on the Continent was that the Britisher is the one who is entitled to all the sympathy rather than the man on the Continent. In Britain they are staggering under heavy loads in the way of taxation but are bearing their burdens heroically, whereas on the Continent they are apparently making no serious efforts to pay their way as they go but are looking to outside countries for sympathy and financial assistance.

Conditions in the West

With the turn of the year and the approach of another crop season, conditions appear to be more settled in Western Canada and there are indications that the 1922 crop had more effect in improving the position of the farmer than was at first realized. Of course all arrears were not met by any means, but large sums were paid off and in most sections confidence has been re-established in a large degree. Strange as it may seem the present indications are that high freight rates and the refusal of the railways to accept stock on consignment may have been a blessing in disguise as there is now more stock on the prairies than there would otherwise have been the case and the outlook is greatly improved. In Alberta there has been a mild winter and this has greatly helped out in a season in which there was shortage of fodder and little capital or credit with which to purchase supplies.

Implement companies have recently

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Is Not Afraid of Lake Rates Inquiry

From Our Own Correspondent.

MONTREAL.—On his return from New York, W. H. Coverdale, president of Canada Steamship Lines, stated that he anticipated no development as a result of the coming inquiry into lake shipping rates that would tend to affect adversely the company's affairs. It is expected that the annual report will be made public in a few days and will indicate a profitable year's operations for the Century Coal Co. and the Davie Shipbuilding Co. The former interests were acquired in full during the year, Canada Steamship Lines taking over the stock formerly held by Dr. W. L. McDougald, who resigned recently as a member of the board of directors.

CAUTIOUSNESS IS PRESENT KEYNOTE OF BOND MARKET

Bond Men Feel Too Rapid Rise Presages Slight Reaction

In a bond house on Wednesday afternoon the house "ticker" was accidentally knocked over and the crystal dome, through which the fluctuations in Victories and other securities are reflected to anxious traders, was smashed into microscopic fragments. One of THE FINANCIAL POST staff happened into the office while the bond men were still surveying the ruin. He asked what had happened.

"We were crystal gazing," was the reply. "Trying to find out what the bond market was going to do. And the crystal couldn't stand the strain."

The continuous rise in bonds since the beginning of the year has given rise to some uncertainty as to the immediate future of the market. Bond men are frank to admit that they feel that the rise has overstepped itself, that some readjustment of prices must come shortly before more permanent conditions will prevail. This does not presage a return to levels of some weeks ago, but indicates their feeling that bonds may sell off a fraction of a point or so. The 1934 Victory loan issue, for instance, that started the year around 101.30 sold this week at 103.60 a rise of well over 2 points. Usually there is some slight reaction after a hurried rise of this degree.

The market depends to some extent upon New York. If the premium on New York funds persists or increases the bond market is likely to hold with some steadiness but a drop in the premium on the New York dollar would have a tendency to bring issues from the States to Canada which would weaken the local markets.

At present bond houses are treading cautiously. The investor taking the long forward look though has no cause for timorousness.

BECK PROPAGANDA SCHEME IS NIPPED

Sir Adam Suspected of Trying to Use the C.M.A. for St. Lawrence Plan

What is believed to have been a veiled plan of Sir Adam Beck's to work the C. M. A. for propaganda for his St. Lawrence power scheme, is about nipped in the bud. He asked permission to address the Ontario division of the C. M. A. on the Central Power shortage. A meeting was arranged but later postponed. It may be that the meeting will not be held.

Sir Adam in asking for the meeting said he wanted to discuss plans to offset a repetition of the power shortage which occurred in Central Ontario about this time last year. However, the fact that the power shortage in question, which was due to alterations being carried on in the Channel of the Trent River, is unlikely to occur again, has aroused a suspicion in some quarters that Sir Adam was planning to tie-up his St. Lawrence project and the C. M. A. by means of propaganda.

It is now being suggested that the meeting may be held late in March. By that time the excuse of Sir Adam anent a possible shortage in Central Ontario will have passed completely.

$10,000,000 Bonds for Price Bros. & Co.

From Our Own Correspondent.

MONTREAL.—Announcement was made on Wednesday that Harris, Forbes & Co. had purchased $10,000,000 of first mortgage 20-year sinking fund gold bonds of Price Bros. and Co. Reference to the likelihood of such an issue was made in last week's issue of THE FINANCIAL POST. These bonds are dated February 1, 1923, and are due February 1, 1943, and principal and interest are payable in gold in New York, Montreal, Toronto or Quebec or London, England, at the fixed rate of exchange at 4.86-2/3. With part of the proceeds of the present issue the Company will construct a 200-ton a day addition to their newsprint mill at Kenogami and will build a 7,500 horse-power plant.

MOUNT ROYAL ASSURANCE CO. SOLD IN STATES

Price of $1,100,000 Means Big Return to Shareholders

From Our Own Correspondent.

MONTREAL.—A big fire insurance deal will be completed at the week end, THE FINANCIAL POST understands, as a result of which the Mount Royal Assurance Co. of Canada will pass into the hands of a United States fire company at a cost of about $1,100,000. The president, Hon. H. B. Rainville, is understood to be guaranteed a lump sum of $750,000 for his controlling interest in the Mount Royal, which would work out at about $550 per $100 stock, or $55 per share of $10 par value. Hon. Mr. Rainville, the president, will, it is understood, devote himself entirely in future to the development of Credit Canada, of which he is president.

The holding of stock in the Mount Royal Assurance Co. has proved a very profitable investment for the shareholders. The stock, of which there is $250,000 outstanding of an authorized $1,000,000, was bought at par twenty years ago, when the company was first organized. There has been, however, a very unusual record of stock dividends, rare in insurance history in Canada. Two years ago, that is in 1920, 100 per cent. of the stock was paid out to the shareholders in the form of shares of Montreal Light, Heat and Power Consolidated, which at that time was selling at a little over $80 a share. The same stock this week passed $107 a share. In addition at another time there was a stock bonus of 40 per cent., which meant that each of the original shareholders not only received back the cost of the stock, but $40 in addition, apart from the sale price. In addition there has been a steady dividend of 10 per cent. per annum paid on the stock of the company.

The Mount Royal has had an exceptionally successful career, and, it is learned that in 1922, when the experience was very unfavorable for fire companies in Canada, it came out with a loss ratio of 57 per cent. as compared with an average that is said to run over 70 per cent. In a record made in connection with the report for 1921, the latest that is to hand, it was stated that dividends amounting to $551,185 had been paid to shareholders, so that the total up to December 31, 1922, would amount to $576,185 on the original $250,000 of stock. The business of the company ranks third in volume within the confines of the city of Montreal, two English companies exceeding it in volume of business. It is learned that the amount of premiums received during 1922 ran about $130,000 ahead of the year 1921.

The United States company mentioned in connection with the purchase is the Continental of New York, which operates in Ontario and Quebec, but in the latter case, to a much smaller extent than the Mount Royal in the outlying sections.

If You Are in Doubt Put on Receipt Tax

In the case of time cards or other pay sheets which do not definitely state a receipt, but may merely indicate that the amount opposite the name signed is correct, the Commissioner of Customs and Excise has ruled that the spirit of the new stamp tax act is that this constitutes a receipt and the stamp must be paid.

In the case of internal cash receipts the commissioner has also ruled that in the spirit of the act the tax must be paid. This rule applies even though the person receiving the money as an agent of the company spent it in the company's interest without any personal benefit.

GOOD YEAR FOR TEXTILE COMPANIES

Satisfactory Conditions Revealed in Reports so Far Presented to Public

From Our Own Correspondent.

MONTREAL.—The statement of Montreal Cottons for the year ending December 31, 1922, together with the improved statement issued a week before by Belding Corticelli, may be taken as evidence of an improved situation amongst textile companies generally. Inquiry amongst those in charge brings out the fact that inventory losses have been almost negligible during the past year as compared with very heavy losses that were sustained during the years 1920 and 1921. This will apply to the woollen mills such as Penmans as well as to the cotton textiles. This absence of losses in inventory should mean a considerable increase in profits as shown by the Dominion Textile Co., Canadian Cottons, Penmans and others. In other words, it will be found that the inventories presented one year ago were down to rock bottom prices, and the companies have made a gain in actual values of their inventories since that time.

Ottawa Must Act to Prevent Cuba Giving Preference to States

From Our Own Correspondent.

HALIFAX.—Interest is taken here in the report that Cuba proposes to grant to the United States a customs preference likely to seriously affect some Maritime exports to that island. It is said the proposed preference would give American potatoes an advantage of 48 cents per bag. The Maritimes have been working up a potato market in Cuba. In the year ending March, 1920, exports amounted to 510,000 bushels; in the year ending March 22 the exports grew to 1,570,000 bushels. In the past year the shipments have been well maintained. Cuba is also a considerable market for Canadian fish, hay, lumber and other products.

It is understood that the Cuba Republic intends to adopt a special preferential tariff, applicable to American products, an intermediate tariff, and a general tariff; and thus it will make the intermediate tariff the basis of offers to countries granting similar concessions to Cuba products.

Canada buys considerable sugar from Cuba, but the trade agreements made between Canada and the British West Indies about two years ago have retarded the expansion of Cuban trade with Canada. Maritime business interests are urging the Ottawa government to take some action, looking to the best treatment possible in the Cuba market.

Investors Were So "Easy" They Brought About Steel's Downfall

Capital Flowed in so Fast That He Was Encouraged to Embark Upon All Sorts of Visionary Projects on Unsound Basis

The effect of the announcement of a reorganization of the various companies in the L. R. Steel group has been noted on quotations for the company's securities. Two weeks ago, it is reported by dealers in unlisted securities, there was a market for the unit groups of Steel stocks around $92. A week ago, after the news came out from Buffalo, the price dropped to $60. Late figures are around $43. These units went to the investor at $250. They consist of two preferred and one common shares in the L. R. Steel Company and one share in the Realty Corporation.

It is evident that the directors of the Steel enterprises have finally realized that they must have more stable direction than Steel himself is capable of showing and that the inflation must be reduced to a basis where the companies can have a chance to operate. First efforts have looked to the making of financial arrangements to carry on until the desired reorganization can be effected. It is reported that $250,000 in new money will be required to finance immediate requirements. A statement is expected to show something like $18,000,000 to $20,000,000 in tangible assets as against the $25,000,000 stock sold. But forced realization would probably show only a few cents on the dollar invested.

The directors are evidently taking the best way out under the prevailing difficulties. Whether they can bring the visionary projects upon which Steel embarked, down to a workable basis in connection with the chain store enterprise remains to be seen, but it is evident that continued inflation of the bubble would have only led to complete disaster.

The Manner of Man

One who was associated with L. R. Steel in his Canadian enterprises when they were first launched states his conviction that Steel is both a capable and sound merchandiser when it comes to chain stores along the lines of the Woolworth idea. He points to the stores being operated as evidence of this and expresses the opinion that had Steel stuck to the original idea he would have made a success.

"But," he continued, "Steel wanted to accomplish everything overnight. There was no limit to his ambitions. He bought real estate, he opened candy shops and millinery shops, he operated cafeterias, he bought a sugar plantation, he got control of a coal mine—he branched out in every direction at once. You see the result."

Found Public "Easy"

It may sound strange but it seems nevertheless to be a fact that Steel's failure was due to the fact that he found the public "too easy." It had been planned to raise $10,000,000 in four or five years for the various enterprises. The "one call" method was employed. A very effective stock-selling campaign was organized. The method was new in Canada and this field proved very profitable for the salesmen. The result was that instead of taking four or five years to raise $10,000,000 the task was accomplished in nine months.

With so much money Steel, according to his former associate, lost his head. A man with a fertile brain, he conceived all sorts of schemes for the investment of the other millions which poured in on him. He had not the organization to handle these schemes properly and he was not of the successful executive type to take care of them himself. The result was that while Steel evolved new schemes to employ the money being invested with him, the management of the stores and the business-like ventures were suffering. The situation which has developed was, therefore, inevitable.

Deflating the Bubble

Definite plans for the deflation of the bubble organization have not yet been announced, but the general idea will be to get out of the mining industry, the sugar business, etc., and concentrate on the chain store project. That this will involve considerable reorganization is indicated by the following list of Steel companies:

L. R. Steel Inc., L. R. Steel Service Corporation, L. R. Steel, Ltd., L. R. Steel Service Corp.. Ltd., Steel Realty Development Corporation, Steel Realty Development Corp., Ltd., Mary Lincoln Candy Company, F. E. Nelson Company, Federal Stores Company, Charles Weegnam Corporation, Farm Produce Stores Corporation, Moorehaven Sugar Corporation, Merrimac Coal Company and Niagara Falls International Exposition Co.

The coal property is regarded as valuable. It represents an investment of about $3,750,000 of the $13,000,000 of the Realty Corporation stock, and is said to be operating at a profit. Some of the other subsidiaries are said to be making money. The exposition scheme is to be dropped immediately.

TRAVELLING COST CAN BE DEDUCTED IN INCOME RETURN

Few Important Changes During Year in Tax Legislation

Canadian business men in making out their income tax forms this year will follow with very little change the procedure of a year ago. Amendments to the act passed since last year's forms were filled in are of a very minor nature. There have been a number of rulings of more importance than the amendments. The ruling to the effect that corporations must not consider interest paid on their bonds, bank loans or mortgages as an expense but rather pay income tax upon such interest has created consternation from coast to coast since it was told about in THE FINANCIAL POST last week. Business men will await anxiously the result of a legal test case now pending on the point.

Exemption in respect to dependent children has been increased from $200 for each child to $300. The act has more definitely stated what will be considered as dependents and considerably widens the definition.

Traveling Expenses Allowed

Probably the most important amendment provides exemption from taxation on amount of "traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business." Thus a man operating a one-man business, for instance, will be allowed a considerable deduction on this item. In calculating the amount of exemption, however, the assessors will deduct from the amount claimed for exemption the sum of $1 a day for each day of traveling on the theory that an individual would spend at least that sum at home on food and lodging. If the assessors consider the amount claimed for exemption as excessive they have the right to demand an itemized statement of expenses or at least to compile a statemnt as the taxpayer can supply.

Claim Montreal Rates Cheapest in America

From Our Own Correspondent.

MONTREAL.—At the annual meeting of shareholders of Montreal Light, Heat & Power Consolidated on Wednesday, Sir Herbert Holt, the president, stated that the price of electricity in Montreal was only one-third what it was in 1908. He added: "Gas and electricity are cheaper here than anywhere else in America. This statement has been questioned but we are in a position to prove it." Sir Herbert threw out a warning to the various Governments that unless they cut down the taxes the Company was forced to pay it could not meet the demands.

MOTORS EAT INTO D.U.R. SUBURBAN LINES EARNINGS

Radial Head Makes Plea That His Lines May Live

ANSWERS ONTARIO

Statements on Annual Report of Railway Picture Fate of Proposed Ontario Radials

A cry for regulation by public authority, to the end that auto trucks and buses shall be prevented from operating on the highways of Michigan and depriving the Detroit United Radials out of that city, of a large portion of their business, is a feature of the annual report of the D. U. R.

Elliot G. Stevenson, acting president, has unwittingly answered the claims of certain interests in Ontario for more radials, in his review of the situation. He says that good roads are taking the business of the radial lines. He savs the problem is of a serious character. The plea put forth by the radial system head is really one to oust the buses and auto trucks to the end that the suburban systems might live. He admits that the competition of these agencies has impaired the service and also meant an increase in their costs. This is shown by the fact that last year the company had the fares increased from 1½c per passenger mile to 2c.

Here is the plea which Mr. Stevenson puts up, which sets forth the outlook for radials in their true light. It is taken from his signed statement to the shareholders as published in the annual report of the Company:

"The company has been faced and is still faced with problems of a serious character. The era of so-called good roads has resulted in the construction of many miles of so-called concrete pavement in the State of Michigan, and in almost every instance the paralleling of the company's interurban systems with such paved concrete roads. This almost immediately resulted not only in the legitimate diminution of the company's traffic by the ordinary use by the public of the improvements they paid for, but was very soon followed by intense competition by carriers of passengers and express and light freight for hire, by individuals and companies putting into service buses and trucks, without any contribution for the use of concrete roads, to the cost of the construction of which our Railway Company, in common with other tax payers, contributed. This competition was not only unfair, in that such carriers of passengers and express and light freight contributed nothing to the facilities they used, but it has been entirely unregulated, and has generally proved not only injurious to the interests of the company, but as well to the interests of the public.

"I think that a study of this problem has resulted in the conviction that there should be some sort of regulation by public authority of those who conduct such a business, the same as steam railroads or interurban roads are regulated, and that perhaps no one has better expressed the idea than has President Harding—'that such facilities should only be permitted to be availed of by private operators of buses and trucks to suppliment the facilities al-

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EDITORIAL

Maintaining International Good-will—Coueism in Western Canada—Not An Age of Miracles—No Doles for Loafers in England—When Watered Stock is Not Water.

World-Wide Organization

BY means of its world-wide organization of branches, agencies, and correspondents, this Bank is enabled at all times to give information and advice on international trade. This can be obtained direct from the Foreign Department at the Head Office or through the Manager of any local Branch.

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Bank of Montreal

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UNION BANK OF CANADA

Dividend No. 144

Notice is hereby given that a dividend at the rate of 10% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Thursday, the First day of March, 1923, to shareholders of record at the close of business on the 13th day of February next.

The Transfer Books will be closed from the 14th to the 28th day of February, both days inclusive.

By order of the Board.

H. B. SHAW,
General Manager.

Winnipeg, January 19th, 1923.

THE HOME BANK OF CANADA

Notice of Quarterly Dividend

NOTICE is hereby given that a dividend at the rate of seven per cent. per annum on the paid-up capital stock of this Bank has been declared for the three months ending February 28. 1923, and that the same will be payable at the Head Office and branches on and after Thursday the 1st of March next, to shareholders of record at the close of business on February 14, 1923.

By Order of the Board,
J. COOPER MASON, General Manager.

Toronto, January 23, 1923.

The Bank of Nova Scotia

Established 1832

Capital	$ 10,000,000
Reserve Fund	19,500,000
Total Assets	220,000,000

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H. A. Richardson, General Manager.

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LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
FREDERICK HYDE EDGAR W. WOOLLEY

Subscribed Capital	£38,117,103
Paid-up Capital	10,860,852
Reserve Fund	10,860,852
Deposits (June 30th, 1922)	368,230,831

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C. 2
OVER 1650 OFFICES IN ENGLAND AND WALES
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Atlantic Offices: "Aquitania" "Berengaria" "Mauretania"

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HORNE'S MESSAGE WARNS AGAINST MARKS DEALING

Deflation of Currency in Europe Outlined at Montreal

SACRIFICE COUNTRY

Actions Mentioned Which Aided Industry in Germany—Encouraged Decline in Its Currency

From Our Own Correspondent.

MONTREAL.—The address of Sir Robert Horne, former Chancellor of the Exchequer in the Cabinet of Lloyd George, to the Canadian Club of this city on Tuesday of this week, might well have been termed, "Germany and England — a contrast in after-war financing." The reproduction of some of the opinions voiced by a man who had at his disposal the best advice of the ablest of British bankers may throw light for readers of THE FINANCIAL POST on the puzzling question as to the effect of a deflation of currency upon industry and world markets, and also contained some suggestion of a more or less prohibitive nature for those who may still contemplate reaching out after profits in the purchase of German marks "that still allure and still elude."

Deliberate Inflation

"Germany after the armistice," Sir Robert declared, "started on a deliberate career of inflating her currency." Deputations had come to him at the Treasury urging him to borrow large sums of money in order to remit taxation, something that could have been done only by a system of inflation. Germany by depreciating her currency had lessened her indebtedness and at the same time had managed to create a bounty on her exports. The larger she could make the market for herself in other parts of the world the more readily would she get on her own feet, it was argued, and discharge the obligations she owed to others.

Helping Germany to Sell More Cheaply

There were many who thought that mere depreciation of currency enabled the country to sell more cheaply than other countries. The depreciation of currency in itself made no difference in this respect if the currency of the country held to the same value inside the country as out. The advantage came, however, in the fact that the inside currency did not depreciate as rapidly as it did outside, the inside view turning more to the original value. So when he took up the position of Chancellor the German mark was worth three times as much inside as outside the country. Thus Germany received an enormous value in bounty for her exports.

Subsidies

Sir Robert mentioned certain actions taken by the State that benefited industry at the expense of the financial position of the country in its relation to its national obligation. One was the establishment of a subsidy on bread which the State paid, whereby cheaper labor was secured through cheaper food. There was also a subsidy on railways paid by the State which provided cheaper transportation that enabled manufacturers to sell their goods more cheaply against the goods of other countries. Thus the resources of the State were depleted. "In other words, Germany indulged in a policy that increased depreciation of its currency as a result of inflation, and brought it to the horrible condition we now see her in."

When he had become Chancellor he demanded of the German Government that it get rid of subsidies and make its taxation meet its expenditures. This latter could only be done, however, by establishing the currency and making revenue meet expenditures. The subsidies had been wiped out but the currency had not been stabilized.

Must Feed "the Goose"

Speaking as a Scotchman, Sir Robert said: "If I'm a creditor I want to see my debtor's money. I can see only one way to get money from Germany. If the goose continues to lay the golden egg we must not throttle her but give her a chance; we may even for a time have to feed that goose." So in England he had insisted that Germany be granted a moratorium to enable her to place her house in order and to be able to pay her reparations.

With the French policy he disagreed because he thought that no practical benefit could possibly come from it. He laid before the gathering these two propositions. First that there is only one fund that any country can employ to pay its debts to another and that is the difference between the exports and the imports. Those customs toll gates the French had devised were only a bar to manufacturing and German exports, and in turn to the creation of a fund for reparations.

Selling its Capital

"There is a complaint that Germany is failing to pay its debts but selling its capital to other countries. Nobody ever yet devised a way to keep capital going out of a country. To keep capital in that country we must make the German capitalist feel that Germany is the place for the capitalist to live in, where he can secure and make profits on his capital." German people, moreover, must be given some incentive to work. The seizing of mines and forests would make them think that the sooner they could get the capital out of the country the better, and if they themselves were going to be attacked personally, the sooner they followed their capital out of the country the better for themselves.

England's Policy

With this course of Germany the speaker contrasted the course of England. England has steadily pursued the plan of making its revenue meet its expenditure since the war. This entailed very heavy burdens but they never flinched. To-day they are the most heavily taxed country in the world. Beer which cost 6 cents before now costs 14 cents and 7 cents of this was collected as a tax. Two-thirds of the price of whiskey went for national revenue. So with sugar, tea, and other foods. Forty per cent. of our taxation goes to pay the interest on the debt accumulated during the war. Income tax brought in £360,000,000. The national debt was reduced and the floating debt was reduced until they had reached the point where bankers said that it was bad for business if they further reduced it. Many short-term obligations were changed to obligations for longer terms, and in these ways confidence of the world in English finance had been raised. The rise in exchange from 3.40 when he took office to the present rate of 4.65 meant that £10,000,000 sterling was saved on interest on the American debt alone in a single year. The country is now purchasing its goods abroad 25% cheaper than a few years ago, due to the difference in currency. And London was still the greatest money market in the world.

BRITISH MARKET PROMISING ONE FOR NON-METALLICS

This is Feldspar Interests' Answer to Federal Mines Officials

Considerable criticism is being voiced of the Federal Department of Mines officials, who reported on their return from England last fall that there was little or no chance for a market in Great Britain for Canadian non-metallic minerals, particularly feldspar. One of the main points made in the department report is that Scandinavian spar is sold so cheaply that the high transportation charges would preclude any chance of competition by the Canadian product. Those questioning and condemning what they term an ill-advised report on the part of the department, have not concluded their investigations as yet into the matter, but state that they already have sufficient data to warrant their stating that the department has done a grievous harm to Canada's non-metallics. In a word, they say the department is not a presentation of true conditions.

The department of mines' report was to the effect that about 5,000 tons of feldspar is the annual consumption in Great Britain and that the ruling price of spar is such that the Canadian product would have to be laid down in Runicorn at $13 per ton. This would not only mean that the market was a small one, but also, that the transportation charges would leave no margin of profit.

A report of the Imperial Mineral Resources Bureau gives the annual consumption as 48,651 tons. Such a report is in the hands of R. F. Segsworth, president Feldspar, Limited, Toronto, owners of the famous Richardson feldspar quarries. He also possesses reports from private investigations that have been carried on by a Montreal institution in England and these reports, dated at various times, indicate that the price of feldspar in England is much higher than quoted by the department. In one case it states that the price of crude spar is $30 to $41 per ton and ground $15 higher. In another it is quoted at £16 for crude. It is estimated that the crude can be mined and bagged in Canada for $10 with $6 rail and $6 ocean freight charges would lay the Canadian product down for $22 and it could be sold for less than European spar while Canadian ground spar of the highest quality could be disposed of for $40. U. S. ground spar sells in Canada to-day for $29 a ton.

That there is something in the contention of Mr. Segsworth is evidenced by the statements of Thos. W. Black, a pottery man from Newcastle-on-Tyne, who has been carrying out certain experiments in Ontario and who brought out feldspar from England. He paid $72 in England just recently and the spar cost him $90 laid down here. He has just concluded investigations of the Canadian spar and will use it in future. He declared that the Canadian product was much superior to the spar used in England, which, he said, was on a par with the medium Canadian grade.

An analysis of the spar from the Richardson mines at Bedford and three English samples, shows the Canadian high grade spar, of which there is an abundance, to contain nearly 14 per cent. potash, while the highest content of the English is 9.84 and the other two are below 9 per cent.

PETROLEUM PRODUCTS HIGHER

The National Petroleum News says: "The advances in crude oil prices have shaken the refinery markets. Gasoline is now two cents higher than three weeks ago. Neutral oils are active and stronger. A good business also has developed in cylinder stocks. Fuel oils are stronger. Gas oils have enjoyed a good market."

WAGES MUST COME DOWN OR WE HAVE WORSE TO FACE

One of Inevitable Things to Bring Down Whole Scale of Living

SIR EDMUND WALKER

In Address to Annual Convention of Canadian Pulp & Paper Association at Montreal.

As I had occasion to say recently it may be possible for a nation of 110 millions possessing most of the materials necessary for their national well being, and now one of the two largest creditors of the rest of the world, to prosper while Europe starves, but the basis of our prosperity in Canada rests on the recovery of Europe and on several other things.

"The budgets of the nations of Europe must balance before the printing presses are stopped from increasing the flood of fiat money. The budgets cannot be balanced until standing armies are lessened. Armies will not be lessened until German reparations are settled. Budgets also will not be balanced until the Allied debts to Great Britain and the United States are scaled down or cancelled. This will not happen until the United States has settled with Great Britain. If this again were left to the few able men in the Cabinet at Washington it might be accomplished, but if it must finally become a question to be discussed in Congress, how long, O Lord, how long shall we have to wait? Even if through reparation and debt settlements Europe recovered her purchasing power the cost of the production of our agricultural and pastoral products must be lessened. This means lower freight, labor and other costs. Lower freights, however, also depend on lower labor costs. Our conditions and those of the United States are in this respect alike. We both wish to discriminate as to the class of immigrants we permit to land on our shores, and we surely should do so, but our salvation throughout all North America depends on a reasonably free supply of unskilled labor.

We must produce cheaper and we must produce more. No one likes to suggest that wages should be less and I only do so because we have much worse to face if we cannot adjust the costs of our production and because I believe this is one of the inevitable things if we seek to bring the whole scale of living and of costs back to wholesome conditions.

"If the scale of the costs of production is wrong it is equally true that the scale of living and of hours devoted to industry is wrong. We cannot pretend that we did not know that because of war debts, we must for a generation or more, work harder for longer hours, and with more intense application, not only because of the vast debts but because we had lost the labor of those who fell in order that we should live. Are we doing so? Have we not done precisely the reverse? Do we not demand more time for what we are pleased to call recreation than ever before? Did we not know that in addition to harder work we must spend less of our earnings on things not actually necessary? On the few who pay income taxes this has been enforced but the majority of our people spend money much more freely than ever before. What is true of us as individuals is true of our governments, municipal, provincial and federal. We seem to think that the test as to whether we should spend money on public works is our power to sell bonds. Unfortunately that is too easy and I really think we are nearing the day when we shall realize that nature provides a limit for all unwise actions.

"I have spoken so often about taxation that I will, to-day, say no more than that we are lucky among the nations who created war debts in owing ours mostly to ourselves, but we have so levied our taxes thus far as to greatly impede production and a more equitable system must be found if we are to return to normal prosperity.

"When we reach normal conditions the pace at first may be slow and the road somewhat uphill, but a prosperity based on solid and just foundations, even if slow at first in results, will bring us more personal and national happiness than we have known since the summons to war in August, 1914."

U.F.A. MEMBERSHIP SHRINKING RAPIDLY

More Than Cut in Two During Past Year—Is it Politics?

From Our Own Correspondent.

EDMONTON.—Whether for financial reasons or from some other cause, the United Farmer movement in Alberta has fallen upon lean times. Its membership has dropped from 31,508 to 14,141 during the past year. In explanation of this heavy decline, many of the local societies report "hard times," while another reason frequently given is the increased membership fee decided on a year ago but never popular with the farmer population at large.

Some attempts have been made to argue from the shrunken membership figures that the organized farmers' movement, as represented by the U. F. A., is decadent and that its days are numbered. However, the organization is still strong. The ultimate result of its political activities is far from certain.

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Niagara in Winter

The countless thousands who annually visit the Cataract of Niagara pronounce it the greatest natural wonder on the continent of America. Little less in sublimity and grandeur than the waterfall itself is the gorge through which the waters rush onward to Lake Ontario after their awful plunge over the cliff. For a little distance from the foot of the falls, the stream is comparatively placid; but gathering momentum as its channel narrows it fills the gorge and rushes over the rocks in foamy rapids; here breaking into delicate spray, and there springing high into the air as it dashes against some rocky obstacle in its mad race for the calmer reaches of the bed below. Never are the famous falls more gloriously beautiful than during the winter months. A snowy mantle covers the surrounding shores. The trees and shrubs, bathed perpetually in the mist of the rushing stream, wear garments of glittering hoarfrost, marvelously wrought and trimmed with loveliest lace. The rocks and boulders along the course become huge blocks of gleaming ice, and mammoth icicles form before the Cave of the Winds and down the steep sides of the gorge. But no power can check the mighty flood, whose emerald waters take on a deeper, darker hue from the whiteness of their setting. In unabated volume they sweep majestically along, tossing high in the air their rainbowed sprays as if in proud disdain of the tyrant Ice-King's iron rule. The Grand Trunk Railway System offers exceptional facilities to reach "Niagara the Glorious."

MANITOBA FARM LOANS SCHEME HAS BIG ARREARS

Difficulties in Making Collections Shown in Report

A PROFIT INDICATED

But as a Government Project No Taxes Are Paid and Nothing is Set Aside for a Reserve

From Our Own Correspondent.

WINNIPEG.—The difficulties of farmer payments are patent from the annual report of Manitoba Farms Loans Association, just tabled in the provincial legislature. According to the statement of arrears and current payments due on July 1 last amounting to $616,000, only $244,700 or 39 per cent. had been collected. The association's fiscal year ended August 31 last but no definite intimation is gained from the report just given to the legislature as to the percentage of collections in the intervening months.

"During the nine months (the association's fiscal year was changed to end on August 31 instead of November 30 to conform with the provincial government's fiscal year), it was found necessary to take mortgage sale proceedings in a few instances," says the report, "but it has been the policy of the board to refrain from such action unless it is absolutely necessary to safeguard the interests of the association, the endeavor being to keep the owner upon the land as long as possible."

Collections during the nine month period are held by the board "to have been as good as could be expected," having amounted to $222,000 on arrears from the year 1919 and 1920. The association reported a year ago that there were arrears of $23,000 from 1920 and other arrears from 1919, the amount of which was not stated. It would appear from the current figures that the arrears of 1919 and 1920 were vastly greater than had been supposed. In addition to the collections of 1919 and 1920 account, payments maturing during the fall and winter of 1921 brought the aggregate received to $395,000. Collections, it is stated, were therefore about 55 per cent of maturing payments. The report to the House which is dated January 11, 1923, states that collection of arrears and current payments has progressed "fairly satisfactorily" during the past few months, but no definite indication is given as to the total of collections since the books of the association were closed last August.

A Profit Shown

The balance sheet of the association discloses an accumulated surplus of $126,702 after returning the organization grant of $10,000 to the government. This $126,702 represents the difference between interest on its mortgages collected or outstanding and interest paid or payable on its bonds, plus administration expenses. The association for the 9 months ended August 31, 1922, returns net profits of $40,553 compared with a net profit of $43,186 for the 12 months ended November 30, 1921, and with $32,558 for the 12 months ended November 30, 1920. Presumably the balance, $10,503, was accumulated from the association's start in 1917 to November 30, 1919.

This is not, however, a cash position. The accumulated profit and loss surplus of $126,702 is confronted with an aggregate of $371,300 remaining to be collected from arrears of preceding years and current payments due when the books closed.

The problem of farm loan collections during the past year is fully realized by the business man and attention is called to these figures of the association chiefly because of their bearing upon the general financial situation in Manitoba. What the figures reveal is that not half enough money, including both principal and interest was collected in 1921 to pay the interest on the Manitoba Farm Loans' bonds and its administration expenses. Furthermore much the same situation continues to exist, according to the latest balance sheet.

In the matter of securing funds the association's latest report records that the association borrowed during 1922, $2,000,000. About $500,000 was secured at 6 per cent. during the early part of the period under review; in February another $500,000 was secured at 5½ per cent. and during the summer $1,000,000 at the same cost. "It has, however, not been deemed advisable so far to reduce the rate of interest to prospective borrowers," is explained, "until it has been ascertained in April of this year what sucess will attend the refunding of $1,000,000 of 5 per cent. debentures now outstanding."

Easy to Make Loans

The Manitoba Farms Loans Association, since its inception in 1917 to the end of the last fiscal period, August 31, 1922, has made 3,039 loans to a grand aggregate of $8,049,500 and there are presently outstanding 2,796 loans to an amount of $7,357,971. This striking expansion of business however. The manager of any mortgage company will tell you that it is not difficult to extend western loans these days; the chief difficulty lies in the safety of the mortgage risk assumed.

In the nine months under review, 1,125 loan applications were received, aggregating $2,717,000 and of this amount 612 loans were granted to an amount of $1,724,750. This contrasts with 1,891 applications in the fiscal year 1921, to the amount of $5,096,000, and a grand total since inception of $18,600,000 applied for.

During the nine months ended August 31 last, 16 loans were paid off to the amount of $16,841, some of them it is stated, by the Soldiers' Settlement Board, and others for the purpose of securing increased loans which the association was unwilling to grant. A few were paid off by virtue of the statutory provision permitting the payment of mortgages after the expiration of five years.

Without writing off any of the items now in arrears, the association sets forth that the expenses of conducting the business were almost exactly the same for the nine month period as for the previous 12 months period, "but on a very much larger turnover." These amounted to $30,560.77 "or less than one-half of one per cent. on the total business" exceeding $7,000,000. Presumably it is on this showing that Premier Bracken bases his conclusions to the legislature that the Farms Loans Association is on a self-supporting basis.

OAK TIRES NEW DIRECTORS FAIL TO SUPPORT LAW

Dr. McGuire, Simcoe, Chosen Pres. After Stormy Annual Meeting

Dr. W. M. McGuire, Simcoe, is the new president of the Oak Tire and Rubber Company. He was chosen by the new board of directors elected at the recent annual meeting. This ousts Frank Law from the presidency of the company and is believed to be a direct result of the stormy annual meeting. Conditions of the company have been going from bad to worse. The working capital is about exhausted. Though the company carried on an excellent business in 1922 it lost over $56,000. When the annual meeting was held it was then the shareholders found that the working capital was about exhausted.

Lack of confidence in the president and manager, Mr. Law, was really the keynote of the meeting. Sharp practices in selling stock were alleged and methods of changing the price of tires from time to time brought forth protests. New directors were elected by the meeting. Recently the new directors had a meeting and named Dr. McGuire as president and G. G. Paxton as vice-president and A. S. Dickson as secretary-treasurer. The latter had previously resigned his post. As matters now stand Mr. Law has not only lost the presidency but he has not as yet been confirmed in his post as general manager and is said to-day to be only "acting."

The change in the company is believed to be a forerunner of a bond issue to provide working capital. This matter is under consideration. At the annual meeting the statement was made that new financing would be impossible with Law remaining at the head of the company.

Robb Engineering Works Is to be Wound Up

For the purpose of considering application for the winding up of the Robb Engineering Works a meeting of the shareholders has been called for February 21st. G. H. Duggan, the president, claims that the business of the company has been disappointing, the net result of the operations for the year ending December 31, being a net deficit of $63,000 which is increased to $89,000 with the usual allowance for depreciation. Of the issue of $500,000 bonds authorized a year ago only $406,100 were subscribed for and the company finds itself in considerable debt to its bankers with no means of raising any further money to meet the growing deficit.

Country fairs throughout Alberta have been given a hint by Hon. George Hoadley, Minister of Agriculture, that they will be expected to retrench this year, and it is quite probable that the Government grants will be reduced, or else that some of the smaller events will be cancelled.

N.B. POTATOES FACE BARRIER IN CUBAN MARKET

American Producers Seek Tariff Wall Against Canadian Product

Special Correspondence.

ST. JOHN, N. B.—A critical situation faces the potato growers, dealers and exporters of New Brunswick. The Cuban government is threatening to bring in a measure that will call for added duty on Canadian potatoes, and as the bulk of the potatoes shipped from Canada to Cuba, are New Brunswick potatoes, it will be readily perceived that New Brunswick will be the province most affected by the proposed drastic legislation. A dozen years ago, the Cuban market was pioneered by several New Brunswick exporting firms. The market was gradually developed until to-day, Cuba is one of the most promising markets available for the New Brunswick potatoes. From the ports of St. John and Halifax, regular shipments are made by water and recently the United Fruit Company opened a line between St. John and Havana.

Just when Cuba is looked on as safe and sane territory, the threat to increase the duty comes as an unpleasant surprise. The motive behind the proposal to increase the tariff on the Canadian potatoes, is presumed to be a desire on the part of Cuban politicians to aid certain American potato interests who have been watching the growing strength of Canadian potatoes in Cuba with anxiety. The threat of the added duty seems to be the logical result of activity on the part of growers, dealers and exporters in New England.

The potato men of New Brunswick are becoming alive to the seriousness of the situation. Gatherings are being called to discuss the best methods of coping with the situation. An appeal has been made to the Dominion government and the department of trade and commerce has been asked to take up the cudgels with the Cuban government with a view to causing a change of heart on the part of the politicians responsible for the threat to increase the duty.

If the Cuban market should be lost, not only the potato interests would be affected, but the loss would react unfavorably on business conditions in New Brunswick, for the growing, sale, and exporting of potatoes is one of the chief business assets of the province.

30,000 H.P. AT HEMMINGS FALLS

Southern Canada Power Co. Will Start New Development This Year

From Our Own Correspondent.

MONTREAL.—A definite decision has been made, it is understood, to go ahead with plans for the development of 30,000 h.p. at Hemmings Falls, near Drummondville, on the St. Francis River, by the Southern Canada Power Co. This development is necessary owing to the steady increase in the demand for power in the Eastern Townships, which has made it necessary already for the company to purchase power from outside sources. This surplus now required will be taken care of by the new development and in addition the company is under contract to deliver 10,000 h.p. to the Shawinigan Water & Power Co. during the next two years. Plans for increasing the capital stock of the Southern Canada Power Co. are now under consideration. The returns for the year ending September 30, 1922, which were made public a few weeks ago, show that since 1917 the gross earnings of the company have almost doubled, increasing from $438,176 to $843,563. Net earnings in the same period advanced from $243,961 to $385,663. Customers also nearly doubled, increasing from 7,002 to 13,249.

Farmer Co-operators Lost Heavily on Farm Implements

But Saskatchewan Grain Growers Decide to Continue in This Losing Business—Many Tractors Were Not Paid For

From Our Own Correspondent.

REGINA. — Though the experiments of the Saskatchewan Grain Growers' Association appear to have been less profitable than experiences of the United Grain Growers in co-operative sale of those commodities which the farmer requires, the association has decided to retain its trading department.

Of a total of approximately $200,000 in capital, impairments to the extent of $113,944 have already been sustained, according to the annual report presented at the Saskatoon convention. Though a profit is claimed for the operations in 1922, deductions made for depreciation of assets and reserves created for bad and doubtful debts, show that in 1922 the net loss of the trading department was $31,064. Some of the larger amounts which contribute to this are: machinery loss $20,668; reserve for bad and doubtful debts. $6,120; debts written off $1,516.

With these financial set-backs, the aggregate of assets over liabilities shown by the annual statement is only $86,055 and it must be borne in mind that a very large percentage of this is non realizable as there is no less a sum than $110,898 outstanding in bills and accounts receivable, entirely too large a figure as compared with the volume of the annual turnover—approximately $300,000.

The disastrous experience of the trading department in connection with machinery, chiefly applies to the handling of tractors. There were sold to members of the association on credit and were secured by lien notes. This class of implement depreciates very rapidly, particularly when no housing is provided when not in use—a common practice on the prairies. The result has been that when the farmer found it impossible to pay and when seizure was made, the recovered implement was worth only a tithe of its former value.

In spite of these losses, the fact that approximately $50,000 was dropped in one unfortunate speculation in binder twine, the co-operative trading department of the association will carry on during 1923 in practically the same manner as former years. About fifteen thousand dollars in salaries will be one of the items of expense entailed.

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News and Views for Investors

Shawinigan Power

The Shawinigan Water and Power Co. which owns 10,000 shares of the St. Maurice Power Co. is going to distribute these shares among its shareholders on a basis of one share of St. Maurice for every twenty shares of Shawinigan. Fractional shares must be adjusted by the sale or purchase of other shares before the end of May.

Mutual Oil

Mutual Oil has been receiving considerable attention on the market of late and there has been an appreciation in the price of the shares to $14.50. The company has a crude oil production around 15,000 barrels daily and the recent increase in the price of the company's product will add, it is estimated, some $300,000 net per month. Earnings are now at the rate of $630,000 a month.

Laurentide Listed

Laurentide Co., Ltd., has made its appearance on the regular list of the Toronto Stock Exchange by the listing of $28,800,000 stock. The opening bids were 92½-93½. The first transaction was on Monday of this week when 65 shares were sold at 93. The Laurentide Company is engaged in newsprint manufacturing and has power interests as well. It is capitalized at $35,000,000 but only the listed amount has been issued. It has been traded in on the Montreal Exchange for some time.

Pressed Metals Subsidiary

A subsidiary of Pressed Metals Co. of Canada, the American Bushings Corporation of Marysville, Mich., has received an order from the Ford Motor for 12,500,000 bushings to be delivered in four months' time. Additional foundry room will be erected at once. The corporation is facing a heavy demand for bushings during the coming season. Pressed Metals has $660,000 invested in the preferred and $5,000 in the common stock of the American Corporation or the total issued capital.

Canada Steamships

Pres. W. H. Coverdale, Canada Steamship Lines, is quoted as stating that he anticipates no development from the forthcoming shipping enquiry by the Royal Commission, that will tend to adversely affect the company's business. This feeling of security is not felt by all those interested in the company, especially among the preferred shareholders, this issue having sold down to 47, whereas at the first of the year it was at 55. The common is down 1½ points to 17.

Page-Hersey Dividend

The increase in the Page-Hersey dividend rate from 5 to 6 per cent. with the addition of a bonus of 1½ per cent. came as no surprise. It is some considerable time ago that THE FINANCIAL POST predicted there would be an increase in the dividend rate. The market has given material evidence of this expectation also by the steady rise in the stock from around 70 to 90. The annual meeting was marked also, by the declaration of the usual preferred payment. Page-Hersey has been paydividends for 20 years without a miss. Recent earnings have been far above the preferred and regular common requirements and the company adopted the unique policy of starting to retire its preferred stock and during 1922 reduced the total outstanding, $3,000,000, by $200,000.

Toronto Railway

Par or better is the opinion expressed by Sir William MacKenzie of the value of Toronto Railway stock, providing there is no appeal to the Privy Council in connection with the recent award of the arbitrators. Sir William has sent a circular to the shareholders in regard the matter. He points out that the million odd dollars which the company expected to retain in its treasury to be added to the award and ultimately distributed, ultimately shrank considerably. However, he believes that the amount left, added to the price to be received from the sale of property which the city will not take over will give $1,000,000 to add to the award. While the head of the company points out that the award is not necessarily final, the circular leaves the impression that the company will not appeal.

Imperial Oil

The Imperial Oil has started the year with a dividend declaration of $1.75. This is made up of the annual 3 per cent. calling for the distribution of 75c and $1 bonus or 7 per cent. in all. The Imperial Oil paid 18 per cent. in 1920, 12 per cent. in 1921 with a stock bonus, and 12 per cent. last year. The declaration of a bonus at the beginning of 1923 would indicate that this year's payments will be at least 18 per cent., for although the company is not on a regular dividend basis, 12 per cent., 3 per cent. quarterly, has got to be generally accepted as the company's minimum to which may be added any bon s.

A New High Mark for Montreal Power

From Our Own Correspondent.

MONTREAL.—Montreal Power reached a new high of 107⅝ this week, ex-dividend, and altogether showed itself a popular factor in the trading. The increase in the dividend from 5 to 6 per cent. and the excellent earnings of over 8 per cent. shown for the year just closed have contributed to renew confidence in this security and investment buying has been taking place on a large scale. The announcement also that an addition of 40,000 h. p. would be made to the Cedars plant has built up expectations of increased earning power in the near future and there is every reason to believe that this will be realized. Altogether this stock has reached a new high level in popular estimation, not for speculative purposes but as an attractive investment.

Furness Will Resume Service on Atlantic

From Our Own Correspondent.

HALIFAX.—Furness Withy & Co. are reviving their pre-war service from London to Halifax and St. John, a fact which indicates anticipation of improving trade. Before the war this service was operated the year round, with fortnightly sailings; the old basis will be resumed if the traffic offers. Maritime business men have frequently urged the need of a better service to the Old Country during the summer months.

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac Grain 7% pfd ..	86	90
Do., com.	105	112½
Belding Paul pfd.	84	86
Canada Mortgage	66	..
Can. Westinghouse 8% com	118	..
Continental Life	211	..
Cuban Can. Sugar 8% pfd	28	29½
Do., com.	6	..
Can. Machinery, pfd.	34½	39
Can. Marconi Wireless	2¼	..
Cockshutt Plow 7%, pfd...	40¼	45½
Can. Oil Companies, pfd.	93½	..
Do., com.	51	55
Dom. Power & Trans. pfd.	86	..
Do., com.	29	..
Dunlop Tire 7%, pfd.	79	83½
Dom. Linens, pfd.	73	76
Eastern Theatres 7%, pfd	64	..
Do., com.	6½	7½
Eng. Elect, pfd. 40% com.	65	75
Excelsior Life	31½	..
Farmers Dairy	48	..
Fam. Play 7% p. 50% com.	73	..
Gunns Ltd., 6% pfd.	38¼	40
Great West Life	214	..
Inter. Milling Co., pfd. ..	88½	..
King Ed. Con., pfd. 30% c.	95	101
K. & S. Tire 7% pfd. 25% c.	34	38
La Paz Oil	40c	50c
Loew's Toronto, pfd.	55	62
Do., com.	36	40
Loew's London, pfd.	4¼	5
Do., com.	1¾	2½
Loew's Buffalo, pfd.	36	42
Do., com.	1	2
Massey-Harris Co.	48	51¼
Murray Kay Co., pfd.	..	42
Manufacturers' Life 20%..	46	..
Mount Royal Hotel, com...	35½	..
Milton Pressed Brick, com	33¾	..
National Brick, pfd.	40	..
Do., com.	8	9
National Life $25 paid..	50¼	....
Pantages Hamilton 7%, pfd.	..	65
Do., com.	..	4
Robertson P. L. Co.	25	35
Rolph Clark Stone, com. ..	15	..
Simpson Robt. 6%, pfd. ..	88	89
Sterling Coal, com.	20	23½
Sovereign Life	18	..
Sun Life Assurance	140	..
Toronto Brick Co., pfd. ..	73	..
Trusts & Guarantee	71	74
Tiger Tire Units (1 pfd. 2 com)	26	..
Western Grocers 7%, pfd.	58	62
Whalen P. & P. Co. pfd...	..	20
Do., com.	..	5½
Mortgage Discount Units.	9	11
Western Assurance	6½	..

FARMER PROFITS REFLECT ON THE LOAN COMPANIES

How the Toronto General Mortgage Met Conditions

IN STRONG POSITION

Reserve Fund Now More Than Paid-up Capital and Contingent Fund Increased

The effect of conditions in Western Canada on the affairs of the mortgage companies was dealt with at the annual meeting of the Toronto General Trusts Corporation by General Manager A. D. Langmuir, who pointed out that, although crops harvested in Canada last season were perhaps best in history as regards both quantity and quality, the high cost of production and transportation had continued to operate against farmer receiving a satisfactory profit. This condition, coupled with large accumulation of debts to banks and trades people and with arrears of taxes, had resulted in there being somewhat larger amount of interest in arrears at close of year than at the end of 1921. But corporation's collections in respect of mortgages had been better, enabling it to reduce greatly the amount advanced for taxes, seed grain, etc.

Mr. Langmuir expressed the confidence that the situation on the whole had shown improvement and anticipated that the receipts during the first half of the current year would be much better than for the corresponding period of 1922. However, until a better condition of affairs prevailed, it was of paramount necessity that its fullest and most ample provision should be made for all possible losses. This matter had received corporation's best attention and he believed that provisions which had been made from year to year had been in every way ample. But to make doubly sure, corporation had, as a further conservative provision, transferred to contingent reserve fund, out of surplus profits, a sum of $25,000, thereby increasing surplus reserve for contingencies from $50,000 to $75,000.

With the conservative provisions referred to there was a reduction shown in earnings. Gross profits of $854,668 compared with $873,365 in the previous year and net, after the payment of expenses, to $340,723 compared with $372,599. Dividends took $240,000 while $126,755 was written off and $25,000 added to a contingent fund. Following are comparative figures:

	1922	1921	1920
Profits	$340,723	$372,599	$353,714
Bal. forward	200,378	293,163	265,529
Prem on stock		204,858	171,395
	$541,101	$870,620	$790,638
Dividends ...	240,000	229,448	181407
Patriotic ...		3,350	
Premises		75,000	
Reserves ...		250,000	250,000
In. Taxes ..	30,000	37,000	25,000
Written off.	126,755	60,444	41,068
Contingent .	25,000	15,000	
Balance	119,347	200,378	293,163
	$541,102	$870,620	$790,638

The reserve now amounts to $2,500,000 compared with paid-up capital of $2,000,000. The earnings and market record in recent years is summarized as follows:

Year	Profits	% on Cap.	Div.	Stocks High	Stocks Low
1922	$340,723	17.00	12	210	200
1921	372,599	18.60	12	201	180
1920	353,714	20.56	11+1	211	196½
1919	343,983	22.92	10+2	220	207
1918	321,969	21.46	10+1	204	199¾
1917	300,886	20.00	10	215	200
1916	321,382	21.42	10	212	205½
1915	345,456	23.03	10	204	189
1914	324,381	21.62	10	204	189
1913	299,016	22.16	10	200	183

The expansion of the company's activities continued as indicated in the fact that total assets increased from $120,253,443 to $129,097,041 during the year. The chief increase is in the estates trust and agency account. Guaranteed trust funds increased nearly a million dollars. The growth of the company since 1910 is shown in the following summary.

Year	Capital Account	Guar. Trusts Account	Estates Trusts & Agencies Account
1922	$4,782,458	$8,633,503	$115,681,079
1921	4,915,357	7,741,339	107,596,746
1920	4,389,768	9,124,317	100,248,237
1919	3,822,637	9,476,559	87,763,834
1918	3,759,444	8,158,883	78,887,301
1917	3,625,628	8,939,785	70,721,363
1916	3,623,026	8,965,168	64,692,318
1915	3,413,812	9,715,345	58,740,311
1914	3,251,487	9,539,321	54,630,291
1913	3,093,266	8,785,637	51,176,929
1912	2,480,389	7,278,857	44,093,317
1911	1,804,591	6,163,731	37,118,336

Washington dispatch says Secretary Hughes sees no change in fundamental conditions in Russia to warrant recognition by United States.

STOCK MOVEMENTS OF THE WEEK

Week Ending February 6

	Div. Rate	Ask	Bid	High	Low	Close	Sales
Banks—							
Commerce	12+1	201	199½	200	199½	200	183
Dominion	12+1	201	200	200	200	200	44
Hamilton	12	170	—	168	167⅛	168	63
Imperial	12	185¾	185	186	185⅞	186	97
Molsons	12	175	174	176	175	175	67
Montreal	12+2	—	231	233	230	231	71
Nova Scotia	16	—	261	261½	260	261½	130
Royal	12+2	—	219½	220	218½	220	91
Standard	14	—	204	204½	203	204½	175
Toronto	12	188	186	189	187	187	52
Union	10	140	139½	140	139	140	50
Industrial, Utilities, Etc.							
Abitibi Pulp and Paper Co.	4	69	68½	69	67½	68⅝	2059
American Salesbook, com.	8	38	37	39	38	38	95
Do., pref.	7	91	89	90	89	89	28
Asbestos Corporation, com.	6	67½	66¼	67½	66	67¼	230
Do., pref.	7	86	85	86½	86	86	140
Atlantic Sugar, com.	—	23	22½	23	22	23	334
Do., pref.	—	—	41	41¼	41¼	41¼	10
Barcelona Traction	—	19¼	19	19½	15¼	19	9194
Bell Telephone	8	—	116½	116⅝	115	116½	892
Brazilian Traction, com.	4	44	43¾	43¾	42	42¾	2290
B. C. Fishing	—	24	—	23	23	23	10
British Empire Steel, com.	—	—	9	9¼	9	9	495
Do., 1st pref.	7	69¼	—	68	67½	68	315
Do., 2nd pref.	—	25	24¾	25⅜	24¾	24¾	1010
Brompton Pulp, com.	—	40	39½	39¾	37½	39½	2795
Burt, F. N., com.	10	130	129	130	128⅝	130	45
Do., pref.	7	—	129	129	128½	128½	25
Canada Bread, com.	—	—	63	62	57½	61½	494
Do., pref.	7	95	94	95	94	95	134
Canada Car and Foundry, com.	—	32	31	32	31¾	32	40
Do., pref.	—	69	—	69¾	69	69¾	860
Canada Cement, com.	6	80	78¾	79	78¼	78¾	481
Do., pref.	7	—	101	102	100	102	283
Canada Steamships, com.	—	18	17	17	16⅛	17	370
Do., pref.	—	48	47	48¼	47	47	951
Canadian Converters	7	94¼	94	94¼	94	94¼	70
Canadian Cottons, com.	8	116½	116	117	116	117	203
Do., pref.	6	—	90	90	88	90	441
Canadian Woollens, com.	—	24	—	24	24	24	75
Do., pref.	—	60	—	60	60	60	69
Canadian General Electric, com.	6	83½	82½	83½	82	83½	331
Canadian Locomotive, pref.	7	92½	91½	93	92	92	43
Canadian Pacific Railway	10	—	148½	148½	144½	148½	393
City Dairy, com.	10	149	147	148	147	147	93
Do., pref.	7	—	100	100	100	100	17
Consumers Gas	10	—	153	162	153	154	167
Detroit United Railway	6	—	70	71	68¼	71	649
Dominion Bridge	4	72	—	72	70	72	9
Dominion Canners, com.	—	29	—	28	28	28	50
Do., pref.	7	75	—	75	74¾	75	40
Dominion Glass, com.	7	94¼	94	94½	93	94½	1317
Do., pref.	7	100	99½	100	99½	100	156
Dominion Telegraph	6	45	43	43	43	43	128
Dominion Textile, com.	12	66½	66⅜	67½	66	67¼	2911
Do., pref.	7	110	—	109	109	109	7
Dominion Coal, pref.	7	—	81½	82	82	82	25
Dominion Iron, pref.	7	—	71	70	70	70	66
Dominion Steel Corp., pref.	6	80	75	80	79½	79½	27
Duluth Superior	—	29½	29	29½	29	29	105
Goodyear Tire, pref.	7	88	87	88½	86½	88½	669
Howard Smith Paper Co.	6	76	75½	78	75½	78	200
Do., pref.	8	101	—	101	101	101	10
Illinois Traction, com.	—	48½	46	45	41	45	155
Do., pref.	6	84	83	84	79	84	203
Kaministiquia Power	8	115	110	110	110	110	22
Lake of Woods Milling, com.	12	185	180	183	178¾	183	76
Do., pref.	7	113	—	113½	113	113	30
Laurentide Paper	6	92¾	92½	93½	92½	92¾	870
Lyall Construction	—	42	41	42	40	40	80
Macdonald, A., com.	—	11¼	10	11¼	10	11¼	25
Mackay, com.	7+10	122½	121½	124	115	123	1938
Do., pref.	4	—	70	71½	69	71	65
Maple Leaf Milling, com.	8	125	—	124¼	124	124¼	10
Do., pref.	7	—	98¾	98¾	98	98¾	173
Monarch Knitting, pref.	7	77	72	76½	76½	76½	10
Montreal Cotton, pref.	7	—	104	108	108	108	40
Montreal Light, Heat, Cons.	5	108½	—	107⅝	104	107	5256
Montreal Telegraph	8	52	—	52	51	51	123
Montreal Trams	10	160	—	157	157	157	1
National Breweries, com.	4	48¾	48⅝	49¼	47⅞	49¼	2020
Do., pref.	7	90	—	90	90	90	80
Ogilvie Flour, com.	12	300	—	304	300	304	186
Ontario Steel Products, com.	—	40	—	40	40	40	30
Ottawa L. H. & Power	6	89	88	89½	88½	89½	430
Pacific Burt, pref.	7	—	100	100½	100⅜	100½	10
Penmans, com.	8	140	138	140	134	140	1031
Do., pref.	6	—	92	95	95	95	25
Porto Rico Railways, pref.	7	80	78	79	79	79	10
Price Brothers	2	45⅛	45	45¼	44½	45	2055
Provinicial Paper, pref.	7	—	93¾	94	93	94	31
Quebec Railway	—	—	23½	24	23	23	791
Riordon Pulp, com.	—	5½	5	5¼	5	5	150
Rogers, William, pref.	7	92	—	90	90	90	25
Russell Motor, pref.	7	65	60	60	60	60	79
Shawinigan	7	114½	114	115	114	115	1033
Sherwin-Williams, com.	6	95	—	95	95	95	5
Do., pref.	7	99	98½	98½	98½	98½	10
Spanish River Pulp, com.	7	94½	94	95¾	92¾	94½	2220
Do., pref.	7	102	101½	105	101½	103⅛	1224
Steel of Canada, com.	7	63	62	63	61½	62	612
Do., pref.	7	99	98	99	97	98	276
St. Lawrence Flour, com.	6	75½	74¾	74¾	74¾	74¾	40
St. Maurice Paper	5	93	88	90	88½	90	211
Toronto Railway	—	90	89¾	95	85⅝	89¾	10526
Tuckett Tobacco, com.	4	55	—	52½	52½	52½	25
Do., pref.	7	—	92	90½	90¼	90½	10
Twin City, com.	4	60	59	60	59	59	342
Wayagamack Pulp	—	59	58	58½	56	58½	35
Winnipeg Electric, com.	—	—	34¼	34¾	33½	34¾	55
Canada Landed	10+1	83	80	82	80	82	30
Colonial Investment	6	—	8	8	8	8	4
Hamilton Provident	10	—	140	140	135	140	20
National Trust	12	—	208	210	210	210	25
Real Estate Loan	7	95	90	90	90	90	4

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GRANBY GIVES STOCK FOR CANADA COPPER

Will Pay 155,000 Shares With Present Market of $26

From Our Own Correspondent.

VICTORIA.—Coast mining circles experienced a stir the other day when it became known that the Granby Consolidated Mining, Smelting and Power Company is negotiating for acquisition of the Canada Copper Corporation's holdings at Princeton.

The Canada Copper Company was formed following a series of reorganizations carried out by the Hayden-Stone interests of New York. The concern was at one time known as the British Columbia Copper Company.

It is understood that the deal has now been virtually consummated, stockholders in the Canada Copper Corporation accepting 155,000 shares of Granby stock in exchange for their holdings. Granby shares have a par value of $100, but the market price is now around 26.

The present authorized capital of the Granby Company is $25,000,000, with $15,000,000 issued, and a doubling of the capital will be proposed at the next meeting. The shares for the Canada Copper Corporation bondholders will be provided out of the increase, and $800,000 of the new issue will be invested in completion of the equipment at Allenby to put the property on a producing basis.

SUBSIDIARY CO. FOR HOLLINGER POWER

Report Is That Bonds Will Be Offered Shareholders of the Mine

Hollinger Gold Mines will not finance the development of the water power it secured from the Ontario government out of the huge surplus earnings which it has piled up and which is believed to be now well on towards the $9,000,000 mark. Instead it is stated in well informed quarters that a subsidiary company will be organized. Shareholders will be given an opportunity to participate, it is believed, and bonds will be issued and shareholders allowed to take up what they desire and the company will take the balance.

The purpose is that the company would not take such a large sum out of the surplus earnings of the present. Instead, it will provide for the retirement of the power bonds by a sinking fund over a period of five years. It is generally accepted that the bonds of such a company would be well received by the shareholders as there is an assured customer for the power developed for many years to come.

The annual meeting of the Hollinger will be held in March. It is almost positive, in the face of the above report, that the directors will add materially to the present dividend rate of 13 per cent. per annum.

Windsor Hotel Limited

6½%

First Mortgage Bonds Maturing 1943

Net Assets of $6,600,000 to secure the $2,500,000 of bonds issued.

Average earnings in the last three years: $552,619, which is more than 3¼ times the $162,500 required for interest charges.

Particulars on request

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11

MARKET AWAKENS FOLLOWING NEW YORK BULL MOVE

Trading Develops Sudden Activity and Whole List Strengthens

GOLD ISSUES UP

Dividend Leaders on Standard Take on New Activity—New Levels Recorded

The bull market which developed this week at New York has spread to the Canadian markets with the result that both the Montreal and Toronto lists broadened out, trading became decidedly active with prices generally taking an upward swing.

"The European scare has worn off and all that was needed was a little encouragement and the New York movement supplied that," is the explanation offered by market leaders for the sudden show of strength of the market after practically a listless month's trading. During the last three days the trading has been the best of the year. Brokers point to the fact, that when the market did start to move, there was a great dearth of stock and that bids had to advance before securing offerings, as an evidence that little encouragement was needed to start the activity. The interesting point is that there had been no news of any change in the European situation.

There has been no particular group providing the leadership. Strength was generally scattered throughout the list and in many cases new high marks were recorded. The paper group has received a fair share of attention and prices have held firm. Some of the utility and power issues have featured in the trading and scored new highs. Specialties have provided several of the active issues while some of the textiles got a good share of attention and one recorded a new high. The same might be said of the milling group.

The steel group is receiving vastly more attention now and some of the steel product issues came in for considerable trading. Bank shares which made up the bulk of the January trading have not been as active but they have maintained their firmness.

As an evidence of the trend of the market, it might be cited that of 76 stocks traded in in two days, 49 made gains, 8 lost ground and the others remained firm.

Some sensational gains have been recorded in the gold issues on the different exchanges, some of the leaders reaching new highs and one going to a point far above anything it had ever reached before. The list is most buoyant, trading is brisk but the supply of some of the issues is said to be none too plentiful.

The bond market has been active and strong. Government issues are still in demand and are steadily creeping up to new levels.

There are those who suggest that the present market is due to the fact that the investing public has concluded that the European situation is at its worst now and that any change at all, must be for the better. Hayden and Stone, Boston, lean to this belief and express the opinion that any fluctuations downward may be of slight proportions, that it would not be troublesome holding them. Other brokers' market letters and leading traders have voiced opinions not unlike this and it may be that this has taken root. Here is what Hayden and Stone say:

"While we do not believe in placing too much emphasis on seasonal fluctuations, it is true that the next month is very apt to be an indecisive period. This indication is likely to be heightened this year by the highly uncertain conditions abroad. The domestic situation holds out such promises, and the prospect of ample credit is so great, that we believe it will be found to be the part of wisdom to take the risk of the foreign situation, which quite likely is at its worst phase right now, and to hold securities through any minor fluctuations that may take place during this time, in the belief that—with rising profits—especially in those lines where profits have been lacking for the last year or two—the normal discounting function of the stock market will eventually be to anticipate those earnings by placing higher valuations on stock equities.

"We believe that the chances of this decidedly outweigh those of really serious reaction, or that the general upward movement has culminated."

DIVIDENDS MAINTAINED

Ottawa Traction Paid the Usual Five Per Cent. in 1922

Dividends received by the Ottawa Traction Company from the Ottawa Electric Company during 1922 totalled $279,069, or $9 more than the 1921 total and this was disbursed in dividends to shareholders in the usual quarterly dividend of one per cent. plus a bonus of one per cent.

The Ottawa Traction holds 18,605 shares of the Ottawa Electric Railway stock, par value $100, and placed in the assets at $5,581,500 while $111,630 is the total of dividends receivable. This latter is the January dividend and one per cent. bonus.

SOUTHERN CANADA POWER

Gross earnings of the Southern Canada Power Company for the month of December amounting to $78,392 showed a decline of $115 compared with the figures for the same month in 1921. Operating expenses were higher by $4,806, while net earnings amounting to $43,397 compared with $48,319, a decrease of $4,922.

For the three months ending December 31, gross at $228,316, showed an increase of $6,996, and net at $126,704, showed a falling off of $1,877.

A BONUS PAID BY THE ONTARIO LOAN

And Still Large Surplus Was Increased by a Material Sum

Although the earnings of the Ontario Loan and Debenture Company at $294,682 were smaller than the $314,792 in the previous year, they were substantially above the $279,893 for 1922 and were of such a satisfactory character as to encourage the directors in the distribution of a 1 per cent. bonus in addition to the usual dividends of 10 per cent. The sum of $75,000 was added to the reserve which now amounts to $2,425,000 compared with a paid-up capital of only $1,750,000. Following are comparative figures:

	1922	1921	1920
Earnings	$294,682	$314,792	$279,893
War tax	23,976	25,201	28,864
Net profits	270,706	289,591	251,029
Surplus	....	....	23,000
Bal. forward	46,244	31,653	32,623
	316,950	321,244	306,652
Distribution—			
Dividends	75,000	175,000	175,000
Bonus	17,500	....	....
Reserve	75,000	100,000	100,000
Balance	49,450	46,244	31,653
	316,950	321,244	306,653

Following is the company's earnings record for the past eight years:

Year	Paid-up Capital	Profits	% Div.	av. pro. cap.	Earn. rate
1922	$1,750,000	$270,706	10+4	15.9	6.4
1921	1,750,000	289,591	10	16.5	7.0
1920	1,750,000	251,029	9+1	14.8	6.4
1919	1,750,000	246,182	9	14.4	6.3
1918	1,750,000	250,739	9	14.7	6.5
1917	1,750,000	254,610	9	15.0	7.0
1916	1,750,000	261,082	9	15.3	7.4
1915	1,750,000	264,365	9	15.5	7.7

Mortgages held have been increased from $4,430,242 to $4,699,790. Government securities now stand at $1,170,708, as compared with $1,129,900; Canadian municipal securities $1,059,700, as against $951,434, and securities guaranteed by Federal and Provincial Governments, $683,286, as compared with $651,217. Cash in chartered banks of Canada has been reduced from $229,919 to $221,778. The company's issues of sterling and currency debentures have both increased, the additional funds being reflected in the increase of invested assets. Sterling debentures now total $1,180,566, as compared with $1,011,346, and currency debentures $1,595,062, as against $1,436,468. Deposits are higher, too, at $942,592, as compared with $923,685.

SOUTHERN CANADA POWER

Dec.	1922	1921	Increase
Gross	$78,392	$78,508.20	x$ 115.97
Op. Exp.	34,995	30,188.90	4,806.00
Net Earn.	43,397	48,319.21	x4,922.06

x Decrease.

5½% Interest Return

INVEST YOUR SAVINGS

in a 5½ DEBENTURE of The Great West Permanent Loan Company

SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

Almost a Fool-proof Investment Chain Stores

The outstanding success of the Chain Store business in Canada has been achieved by Dominion Stores, Limited, which now operates a chain of 190 grocery stores in the Province of Ontario; 62 are located in Toronto, 19 in Hamilton, 9 in London, and the remainder in other profitable centres.

The Company's net profits have grown from $34,692.12 in 1920 to over $100,000 in 1922.

These Class "A" shares are the premier security of the Company, and are preferred both as to assets and dividends. There are no Bonds ahead of them, and none projected.

The assets as certified in the last Balance Sheet are over $200 per share on the stock outstanding, so that each shareholder will have a 100% margin of safety for his equity in the Company.

The success of the Dominion Stores, Limited, has been remarkable. And on our investigation of its business we feel that we may recommend these shares on every ground of safety, earning power and the prospect of reasonable appreciation in value.

Price $100 Per Share, Carrying a Bonus of 25% Common Stock

Send orders to one of the undersigned, or write for a complete prospectus.

Housser, Wood & Company
12-14 King Street East, Toronto

Brouse, Mitchell & Company
Members Toronto Stock Exchange
75 Bay Street, Toronto

Bankers' Bond Company, Limited
60 King Street West, Toronto

1870 — 1923

THE MUTUAL LIFE

Assurance Company of Canada

WATERLOO, ONTARIO

FINANCIAL STATEMENT For Year Ended December 31, 1922

CASH ACCOUNT

INCOME

Net Ledger Assets, December 31st, 1921	$45,573,732.88
Premiums (Net)	9,111,046.39
Interest and Rents	2,848,795.65
Amounts left on deposit with Company	373,749.68
Miscellaneous Income	72,338.51
	$57,979,663.11

DISBURSEMENTS

Death and Disability Claims	$1,345,172.58
Matured Endowments	925,718.18
Surrendered Policies	871,104.91
Surplus paid Policyholders	1,871,240.88
Annuities	11,691.75
Supplementary Contracts	47,639.73
Amounts on Deposit Withdrawn	123,236.47
Premium Reductions, Quinquennial	93,636.71
Expenses, Taxes, etc.	1,980,397.98
Net Ledger Assets, Dec. 31st, 1922	50,709,823.92
	$57,979,663.11

BALANCE SHEET

ASSETS

Mortgages	$19,380,964.12
Debentures and Bonds	22,017,824.35
Loans on Policies	7,497,916.06
Real Estate	1,354,622.92
Premium Obligations	19,027.00
Cash in Banks and Head Office	499,777.30
Due and Deferred Premiums	1,068,342.98
Accrued Interest, Etc.	1,767,155.76
	$53,605,630.49

LIABILITIES

Reserve, 3½% and 3% basis		$43,561,764.00
Reserve for Unreported Death Claims		50,000.00
Surrender Values claimable on lapsed Policies		403.00
Death Claims unadjusted		191,992.00
Matured Endowments, unadjusted		15,382.00
Reductions on Outstanding Premiums		8,229.06
Due on account of Office Expenses and Medical Fees		12,667.77
Taxes and Rents accrued		110,731.75
Premiums and Interest paid in advance		87,122.94
Credit Ledger Balances		60,307.83
Dividends due Policyholders		70,166.77
Dividends allotted to Accumulative Dividend Policies		1,528,924.54
Dividends allotted to Deferred Dividend Policies issued since Jan. 1st, 1911		692,443.89
Special Investment Reserves		611,776.34
General Surplus Fund		6,603,718.60
Assigned as follows:		
1. Provision for dividends under Deferred Dividend policies issued prior to 1911	$3,545,408.89	
2. Provision for interim dividends under Quinquennial policies	342,773.33	
3. Provision for dividends payable 1923	2,000,000.00	
4. Provision for Mortality fluctuation and other Contingencies	715,536.38	
		$53,605,630.49

Audited and found correct,
J. M. SCULLY, F.C.A., Auditor.
Waterloo, January 30th, 1923.

CHARLES RUBY, General Manager.

Statement Showing the Progress by Decennial Periods

Year	Income	Assets	Paid to Policy Holders	Business in Force
1872	$ 15,506	$ 12,246	$ 3,250	$ 500,000
1882	176,337	423,598	50,200	5,504,478
1892	614,951	2,235,384	216,337	16,122,195
1902	1,391,098	6,441,564	483,350	24,468,920
1912	3,700,565	20,071,344	1,275,886	77,921,144
1922	**12,405,930**	**53,605,630**	**5,289,441**	**246,486,654**

BIG IMPROVEMENT IN NET EARNINGS BY MONTREAL COTTONS

Operating Profits Show Betterment of $314,000 Over 1921

"A VERY GOOD YEAR"

As Described by President—Watching High Prices—F. G. Daniels on Board

From Our Own Correspondent.

MONTREAL.—An example of the translation of a mass of figures into English that could be easily understood was furnished by Sir Charles Gordon, the president, at the annual meeting of shareholders of Montreal Cottons on Monday of this week when he remarked, after the reading of the report: "It may be illuminating if I state that we have had a very good year."

This "very good year" is much better than the comparative figures of operating profits would show, of 1921 profits standing at $381,104, and 1922 at $412,995, an apparent betterment of about $32,000. As a matter of fact, in 1921 there was no depreciation allowed, whereas the sum of $282,243 was set aside for 1922, and it was after this depreciation account had been allowed that operating income remained. It thus follows that the net profits for 1922 were really $314 000 better than in 1921, and the amount available for common dividends, namely, $243,411, or 8.1 per cent. on the common stock, represents almost an absolute gain over 1921 although the nominal amount of $218,000 or 7.3 per cent. on the common stock, was reported for the year 1921.

The president went on to state that a substantial amount had been set aside for any depreciation in stock that might occur during the coming year. The management were prepared to take no chances in being caught over-stocked, as present prices of raw materials and manufactured articles were high. The sales for the year amounted to $5,479,000, as compared with $4,517,000 in 1921, but a good deal less than the total of $8,768,000 for 1921. Of course, in the last year the prices were very much higher than they were in the years 1921 and 1922.

In the balance sheet of the company, inventory and raw cotton considerably increased the former from $250.000 to $759,000, the latter from $208.000 to $913,000. In both columns Government bonds run very high. 1921 being $1,950,000, and 1920, $2 050,000, making the liquid position of the company very strong. The funded debt of the company was decreased during the year by nearly $6.000, from $610,767 to $604,928. The profit and loss surplus now amounts to $4 065,814, as compared with $3.306,669 last year. Several changes have been made, however, in connection with contingent accounts and plant reserves. That partly accounts for this increase.

When dealing with the present situation, the president, Sir Charles Gordon, stated that the general business of the company had been very good as shown in the increase of sales over last year. The demand for the present year was being curtailed, however, owing to the marked advance in raw cotton. As the trade is not heavily stocked up the company should have a fair business during the coming year.

He announced also that No. 1 power house had been remodeled, the latest hydraulic machinery installed and was now in operation. A new addition to the mills was a four-storey building 102 feet long by 100 feet wide, which will be in operation early this summer. Heavy expenditures have been made, in addition for improving the plant. Following is a comparison of the manufacturing and profit and loss accounts for the past three years and the working capital account for the past two years:

Manufacturing and P. & L. Account

	1922 $	1921 $	1920 $
Cloth sales	5.353.726	4.488.913	8.804 458
Do., in proc.	759,742	633 642	604.605
Total sales	6.113 469	5,122.555	9,409 062
Fr. prev. yr.	633.642	604,605	640.629
Net sales	5.470.827	4 517.950	8.768.434
Supp., wages	3,963.485	3.351.223	6.760.917
Salaries, etc.	156 548	136.191	135.683
Repairs. etc.	664 554	649,432	962.530
Depreciation	282,243	......	180,000
Op. income.	412.995	381.104	720.304
Oth. income	121,446	99,614	79,510
Ttl. income	534.441	480 718	808.814
Bond int. etc.	81,030	52,591	101,562
Net inc.	453 411	428.127	617.252
Dividends	390,000	390,000	390,000
Surplus	63,411	38,127	227,252

Working Capital Account

Current Assets—		
Cash	29.163	111,437
Book debts, etc.	1,044,336	1,032.782
Cloth, etc.	....	183 128
Cot. in process	759.742	450.514
Raw cotton	913.283	408.397
Supplies	236.511	366.803
Unexpired ins.	10,085	16.315
Govt. bonds	2,050.000	1,950.000
Real estate bal.	2,345	3,307
Total	5,045,468	4,522,683
Current liabilities—		
Open accts.	853.706	789,633
Advances	750,975	319,119
Total	1.616 682	1,108.782
Bal. work. cap.	3,428.786	3.413.901

F. G. Daniels, managing director of Dominion Textile Co., was chosen a director to succeed the late S. H. Ewing.

Many Millions of Dollars Extra for One Timber Limit

From Our Own Correspondent.

MONTREAL.—Pulp and paper circles are somewhat excited over the price paid this week at the biggest sale of timber limits yet held in Quebec Province, when the Ontario Paper Co. of Thorold—operated by the Chicago "Tribune"—contracted to purchase 2,000 square miles situated on the River Manicouagan district on the North Shore of the St. Lawrence. The bid was for $3.35 per 1,000 feet in addition to the stumpage tax now imposed of $2.70 per thousand feet, a total of $6.05. The contract calls for the development of water power and the erection of a pulp mill.

The FINANCIAL POST understands that forestry engineers figure out this price as practically doubling existing prices paid on government limits, and that as a result very important changes may be made in the near future in re-valuing limits held by the pulp and paper concerns. In place of the old cost of $1,500 a square mile the basic cost was reduced to $400 but the increased stumpage dues work out at $6.05 per 1,000 feet or $3.02½ a cord, compared with $1.40 a cord, the old rate. A cost of $400 per square mile is equal to 6½ cents per cord, as compared with $1,500 a mile or 25 cents a cord. The new stumpage raises the 6½ cents to $3.09 per cord, compared with the old rate of $1.65 a cord. Thus the valuation now set on the pulp wood in the form of standing timber is over $2,500 a square mile. The increased stumpage will mean in excess of ten millions of dollars extra for the one limit of 2,000 square miles providing there are no bad burns in future on the limit.

It is understood that the second tenderer represented Lord Rothermere, brother of the late Lord Northcliffe and publisher of the London Daily Mail.

SAYS MORTGAGORS GOOD ON PAYMENTS

A Satisfactory Year Reported by the Hamilton President

Although earnings of the Hamilton Provident & Loan Corporation for last year at $346,588 showed an increase compared with $337,176 in 1921 and $338,720 in 1920, interest charges and the expenses showed some increase and net profits of $170,001 compared with $156,925 and $161,895 for two preceding years respectively. By drawing $7,959 from the contingent fund the corporation was able to add $50,000 to the reserve which now amounts to $1,350,000, compared with capital fully paid of $1.000,000 and capital partially paid $200,000. Following are comparative figures:

	1922	1921	1920
Earnings	$346,588	$337,176	$338,720
*From. cont.	7,959	....	....
	354,548	337,176	338,720
Taxes	22,954	26,539	19,337
Interest	102,033	96,353	97,550
Expenses	59,560	57,359	59,938
	184,547	180,251	176,825
Net profits	170,001	156,925	161,895
Dividends	120,000	120,000	108,000
Reserve	50,000	....	50,000
Contingent	....	36,925	3,894
	170,000	156,925	161,895

*Transferred from contingent fund.

The company's earnings record for the past eight years is summarized as follows:

Year	Paid-up Capital	Profits	% Div.	av. prod cap.	Earn rate
1922	$1,200,000	$170,001	10	14.1	6.8
1921	1,200,000	156,925	10	13.0	6.2
1920	1,200,000	161,895	9	13.4	6.7
1919	1,200,000	159,730	9	13.2	6.6
1918	1,200,000	160,846	8	13.3	7.0
1917	1,200,000	168.482	8	14.0	7.7
1916	1,200,000	173,031	8	14.4	8.2
1915	1,200.000	161,449	8	13.4	7.5

The president, George Hope, says that mortgagors met their payments in a satisfactory manner, collections being considerably in excess of the previous year. Borrowed capital showed an increase in sterling and currency debentures as well as in savings deposits.

C. P. R. Outlook Well Regarded in States

Unless the government roads resort to cut-rate competition, which seems unlikely at the present as Canadian leaders do not wish to meet increased deficits through taxation and are alive to the necessity of retaining the position of Canada's premier security, the Wall Street Journal believes that Canadian Pacific should continue to obtain present satisfactory results and share fully in the country's development. It is pointed out that the C. P. R.'s fixed charges are about $980 a mile, compared with 1921 charges of $4 566 against Grand Trunk and $3,222 against Canadian National. It is also pointed out that while the Grand Trunk's traffic is of greater density the Canadian Pacific maintains lower operating ratio, owing to better concentration in train loading.

30c on the Dollar on Dominion Savings Shares

Shareholders in the Dominion Savings and Loan Co. have received a statement from the Huron and Erie Mortgage Corporation indicating that liquidation of the assets up to the end of the year 1922 resulted in some $600 000 being received out of $900,000 liability to depositors and debenture holders.

Since the end of the year some further assets have been turned into cash so that at the present time there remains only one-quarter of a million dollars of liability unsatisfied.

It seems likely that the work of liquidation will proceed more slowly from now on as the remaining assets are more difficult to dispose of.

It is still hoped that after the liabilities have been satisfied there will be handed over to the Canada Trust, acting as trustee for shareholders, enough assets to return to shareholders 30c on the dollar.

METROPOLITAN STORES

Metropolitan 5 to 50-Cent Stores, Inc. sales last year were $6.234.201, compared with $5,392 939 for 1921, increase of $841.262, or 15.59 per cent. Largest Christmas business in company's history was reported, sales for December being $1,208.667 against $1.101,449 in December, 1921, increase of $107,218, or 9.73 per cent.

DULUTH SUPERIOR NET EARNINGS UP

Material Lowering of Overhead is Evidenced by 1922 Figures

After paying $5 per share on the preferred, Duluth Superior earnings total 92% on the common for 1922. The gross was $1,786,019, a decrease of $18,819 compared with 1921. However, overhead was materially cut and this resulted in an increase of $63,515 in net income. Preferred dividends absorbed $75,000, $20.604 went to the retirement of bonds and after miscellaneous debts were cared for $19,471 was carried forward into 1923. The company has a dispute with the city over a straight 6c fare as against 5 tickets for 25c. This is in the hands of the court.

The general balance-sheet of the Duluth-Superior shows total assets of $10,769,191, as against $10,614,094 the year before, the increase being largely due to the road and equipment item. Expenditures under this head totalled $173,463.

Current assets are shown as $243,151, as against current liabilities of $185,917, making the net working capital $57,234.

The cumulative preferred stock dividend at the rate of 4 per cent. per annum has been paid to June 30, 1922, thus leaving 2 per cent. still deferred. The company paid one per cent. on deferred account during 1922.

	1922	1921
Total revenue	$1,786,019.92	$1,804,839.79
Total oper. exp. including depreciation	1,405,365.60	1,493,304.70
Net revenue	380,654.32	311,535.09
Rev. pass. car.	32,036,900	34,596,264
Transfers redeemed	5,366,154	5,809,271
Oper. p.c. of rev., tax. inc.	58.03	88.69
P.C. on pref. stock earned	6.14	1.91
P.C. on pref. stock, paid	5.00	1.00
P.C. on com. stock, earned	.92	.00

THE GREAT-WEST LIFE ASSURANCE COMPANY

HEAD OFFICE: WINNIPEG - ESTABLISHED 1892

Condensed Annual Statement.

	1922	Increase over 1921
New Business Issued (Excluding Group)	$ 56,116,675.00	$ 1,888,713.00
Business in force (Excluding Group)	316,121,936.00	29,403,171.00
Income	12,802,320.22	1,251,359.23
Assets	49,198,255.02	6,667,747.93
Surplus Earned	2,608,083.67	477,804.05
Payments to Policyholders	3,953,527.05	990,195.11
Provision for future profits to Policyholders	4,832,639.00	861,006.00
Contingency Reserve	500,000.00	200,000.00

Evidences of Prosperity and Progress

(1) Substantial increase in new business and in business in force.

(2) Assets of nearly $50,000,000.

(3) The interest rate for 1922 was 7.18%; the expense rates were materially reduced and a very low mortality rate was experienced, resulting in:

(a) A further demonstration of the Company's superiority in profits to policyholders.

(b) Increased financial strength. Large sums added to Contingency Reserve and Unassigned Surplus.

A 1923 Result:

20 YEAR ENDOWMENT. AGE 35. $1,000. PREMIUM $49.50.

Policy issued in 1903, maturing in 1923.

Total Cash Value available in 1923 ....$1505.00

THE FULL REPORT WILL BE MAILED ON REQUEST.

APPLY TO COMPANY'S BRANCH OFFICE AT TORONTO, ONT.

What Price Will You Pay For Your Car?

EVERYBODY at Ford is keen to keep down the price of Ford Cars. The $445-price is based on the expectation of a Spring business of 8000 cars per month. If that business comes, the price can be maintained. It rests now with the public to say whether Ford prices will be higher or not.

If you want a Ford in the Spring you can order it today for delivery later—and pay the lowest price in Ford history, $445.

ORDER NOW AND MAKE CERTAIN YOU GET A CAR AT THESE PRICES

Runabout $405
Touring $445
Coupe $695
Sedan $785
Chassis $345
Truck Chassis $495

F.O.B. FORD, ONT. GOVT. SALES TAX EXTRA
Starting and Electric Lighting Standard Equipment on Sedan & Coupe

Help us Keep Down the Price

Order your Ford Today

FORD MOTOR COMPANY OF CANADA, LIMITED, FORD, ONTARIO

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IMPERSONAL, YET PERSONAL

IN soliciting appointments as Executor, The Royal Trust Company offers the advantages of a Personal as well as of an Impersonal Executor.

Personal, because it has built up a sufficiently large staff to ensure that an intimate personal interest in each Estate will be taken by one of the Company's experienced officers.

Impersonal, because, unlike the ordinary personal Executor, it is never ill, never absent, never distracted by other affairs, and never dies.

Consult our officers or write for booklet, "Some Remarks on Wills."

THE ROYAL TRUST CO
EXECUTORS AND TRUSTEES

Head Office - Montreal

CALGARY HAMILTON ST. JOHN, N.B. VICTORIA
EDMONTON OTTAWA ST. JOHN'S, NFLD. WINNIPEG
HALIFAX QUEBEC TORONTO VANCOUVER

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THE MONTREAL COTTONS LIMITED

Operating the Montreal Cotton Co.

DECEMBER 31st, 1922

THE ANNUAL REPORT of the Directors to the Shareholders, at this, the Fiftieth Annual General Meeting, held at their office in Montreal, on **Monday, the Fifth day of February,** nineteen hundred and twenty-three, at the hour of twelve o'clock noon.

Gentlemen:—Your Directors have much pleasure in submitting the Annual Report of the operations of your Company for the year ending December 31st, 1922.

The business for the year has been satisfactory resulting in a substantial increase in sales over last year. The prospect for 1923 is very reassuring.

Your No. 1 Power Plant has been remodelled and a modern Hydraulic Plant has been installed and is now in operation. We have erected an addition to the Mills of a four storey building, 102 ft. long and 100 ft. wide. This building is nearing completion and we expect to have the plant and machinery installed and in operation by the early part of the Summer.

You will note that although heavy expenditures have been made in additions and improvements to plant, your net working capital has not been impaired. The total surpluses, including reserves and profit and loss, amount to $4,796,660.51 as against $4,412,647.19, for the previous year.

By-law No. 18 reads that the Annual General Meeting of the Company shall be held on the fourth Wednesday in February each year. As it was deemed advisable your directors at a meeting held on the tenth day of January, 1923, amended said by-law to read as follows:

"The financial year of the Company shall end on the 31st day of December in each "year, and the Annual General Meeting of the Shareholders shall be held at the Head "Office of the Company, or at such other place within Canada as the Directors may "determine, on some date not later than four months after the end of the Company's "financial year, to be fixed by resolution of the Board of Directors, from time to "time, to receive the Annual Report of the Directors, Annual Statement and Auditor's "Report, required by Section 105 of the Companies Act, to elect Directors and to "appoint an Auditor for the ensuing year and to transact the general business of the "Company."

The regular dividends on preferred and common stock have been paid during the year after all deductions for depreciation, bond interest, etc.

The plant has been fully maintained and is in excellent condition.

We have much pleasure in commending the efficiency of the General Manager, the Officers of the Company, and the loyalty and diligence of the employees throughout the works.

The Annual Audited Statement of the Company's affairs and the Auditor's Report will now be read.

All the Directors retire and are eligible for re-election.

The whole respectfully submitted,

C. B. GORDON, President.

NO. 1. MANUFACTURING ACCOUNT

Raw Cotton, Wages, Supplies and Chemics	$3,963,485.95	Cloth Sales	$5,353,726.55
Salaries, Incidental and General	156,548.40	Cloth and in Process	759,742.73
Repairs, Fuel, Int., Ins'ce and Maintenance	664,554.15		6,113,469.28
Depreciation	282,243.00	Cloth and in Process 31st December, 1921	633,642.16
Gross Profits	412,995.62		
	$5,479,827.12		$5,479,827.12

NO. 2. PROFIT AND LOSS ACCOUNT

Bond Interest	$30,143.15	Balance forward 1st Jan., 1922	$4,274,646.28	
Bad Debts	19,477.60	Less Depreciation not deducted in 1921	282,243.00	
Business Profits Tax	31,410.92			$3,992,403.28
Dividend Preferred Stock	210,000.00	Manufacturing Profit		412,995.62
Dividend Common	180,000.00	Interest from Investments		121,446.99
Balance at Credit	4,055,814.22			
	$4,526,845.89			$4,526,845.89

ASSETS

Land, Buildings and Machinery		$4,972,802.54
Cash	$ 29,163.69	
Open Accounts	1,044,336.10	
R'l Est'te B'l'nce	2,345.50	
Stock Manufactured and in Process	759,742.73	
Raw Cotton	913,283.55	
Supplies	236,511.78	
Unexpired Ins'nce	10,085.18	
Bonds, Government	2,050,000.00	
		5,045,468.53
		$10,018,271.07

LIABILITIES

Capital Common Stock		$3,000,000.00
Bonds	$1,000,000.00	
Redeemed	395,072.00	
		604,928.00
Loans	750,975.95	
Open Accounts	1,044,336.10	
Res. Bus'n's. P.T'x	12,000.00	
Total Liquid Liabilities		1,616,682.56
Surplus:		
Bond Reserve	16,755.44	
Reserve for Pension and Plant Renewals	724,090.85	
Profit and Loss Account as per Acct. No. 2	4,055,814.22	
		4,796,660.51
		$10,018,271.07

JOHN LOWE, Sec'y. Treas. C. B. GORDON, JOHN LOWE, Directors.

DIRECTORS

Sir Charles Gordon. Mr. William C. Finley Mr. Jno. P. Black
Sir Herbert Holt Mr. Fred. W. Molson Mr. John Lowe
Lt.-Col. A. Hamilton Gault Senator Raoul Dandurand Mr. F. G. Daniels

At a subsequent meeting Sir Charles Gordon was elected President, Sir Herbert Holt, Vice-President, and John Lowe, Secretary Treasurer.

AUDITOR'S CERTIFICATE

I have audited the books and accounts of the Montreal Cottons, Limited, for the year ending the 31st December, 1922, I have obtained all the information and explanations required, and now certify that in my opinion the foregoing statements and balance sheet are properly drawn up so as to exhibit a true and correct view of the year's operations based upon the certified inventories presented, and of the state of the Company's affairs at its close, according to the best of my information and the explanations given to me and as shown by the books of the Company.

Montreal, January 30th, 1923. ARTHUR H. PLIMSOLL, C.A.

DIVIDENDS PAID B. C. PERMANENT SHAREHOLDERS

Good Results Have Been Obtained Since 1898

Although profits of the British Columbia Permanent Loan Company for 1922 were somewhat less than for 1921, they may be regarded as satisfactory in view of the conservative policy which has marked the company's operations and which will, according to General Manager T. D. Macdonald, be continued in the future. A disbursement of $8 per share was made to shareholders, $25,000 being added to reserve and $10,166 carried forward. It is pointed out that, notwithstanding that no dividends were paid to shareholders during three and one-half years of the war period, dividends paid have averaged 7 per cent. per annum since the company started operations in 1898 and the original shareholders have actually received cash dividends amounting to $179.50 per share while a reserve fund of $800,000, 85 per cent. of the paid-up capital, has accumulated. Following are comparative figures from the profit and loss account:

	1922	1921	1920
Earnings	$211,647	$226,595	$254,849
Expenses	46,328	50,703	52,950
Interest	57,237	57,025	57,945
Taxes	22,070	17,432	17,486
	125,635	125,160	128,381
Net profits	86,012	101,435	126,468
Bal. forward	23,989	41,326	*104,709
	110,001	142,761	231,177
Dividends	75,330	74,844	74,063
Int. on stock	....	183	192
Reserve	24,505	43,744	105,596
Contingent	....	....	10,000
Balance	10,166	23,989	41,326
	110,001	142,761	231,177

*Less dividend for 1919, paid 15th January, 1920.

The company's record in the past eight years is summarized as follows:

Year	Paid-up Capital	Profits	% Div.	av. prod cap.	Earn rate
1922	$941,829	$ 86,012	6+2	9.1	4.9
1921	940,763	101,435	6+2	10.9	5.9
1920	926,721	126,468	6+2	13.6	7.5
1919	923,721	91,789	6	9.9	6.5
1918	923,290	76,289	..	8.3	4.3
1917	923,290	45,729	..	5.0	2.8
1916	923,290	57,536	—	6.2	3.3
1915	923,290	52,200	5	9.2	3.3

Almost 50 per cent. of the entire public liabilities are represented by bonds and cash and the company enjoys a monthly return averaging $42,000 from mortgages and agreements.

Exchange Works Both Ways With Brazilian

While the exchange situation has been hurtful to Brazilian in the transfer of funds to Canada for the purposes of dividend and also for outside purchases, yet on the other hand it has been helpful to earnings inasmuch as revenue from some of the services is payable on a gold basis and therefore the larger receipts in milreis are due to the decline in Brazilian exchange. The 1922 net earning total was 124,506,000 milreis, as compared with 95,105,000 in 1921, an increase of 29,401,000. The figures for the year are:

	Milreis Gross	Net	Net. Inc.
1921— Dec.	15,465,000	9,354,000	3,671,000
1922— Jan.	15,032,000	8,796,000	2,579,000
Feb.	14,473,000	8,360,000	2,681,000
March	15,238,000	9,297,000	2,775,000
April	15,413,000	9,560,000	2,817,000
May	16,093,000	10,195,000	2,333,000
June	16,206,000	10,447,000	2,644,000
July	16,665,000	10,700,000	1,429,000
Aug.	17,168,000	11,024,000	1,585,000
Sept.	17,572,000	11,584,000	2,950,000
Oct.	18,231,000	11,900,000	2,739,000
Nov.	17,735,000	11,240,000	2,420,000
Dec.	17,873,000	11,403,000	2,049,000
1922— gross	197,749,000	170,867,000	26,882,000
1922— net	124,506,000	95,105,000	29,401,000

December figures are:

	1922	1921	Inc.
Gr. earn.	17,873,000	15,405,000	2,468,000
Op. ex.	6,470,000	6,051,000	419,000
Net earn.	11,403,000	9,354,000	2,049,000

MERGER CONSUMMATED

The purchase of the Orr properties, approximately 300 acres, by the Teck-Hughes for 600,000 shares of stock and the cash purchase of stock for $255,000 from Arthur Moysey, has been approved and ratified by the shareholders and the deal consummated. The price paid Moysey was 35 cents a share for his holdings. The exchange of shares is on a basis of four shares of Teck-Hughes for seven of Orr which at the present market price of Teck-Hughes gives Orr stock a value of 52c. Teck-Hughes has increased its capital by a million dollars to $5,000,000 to provide for the deal. This company has about $250,000 cash in the treasury. Its bonded indebtedness is $324,100.

WESTERN LUMBER

The statement of earnings for November of the Canadian Western Lumber Company shows a considerable improvement in both production and sales as compared with November, 1921. Lumber manufactured during the month totalled 8,314,040 feet, an increase of 2,366,799 feet over the same month in 1921. Lumber sold totalled 7,993,326 feet, as compared with 5,142,006 feet, and the price realized at $220,148 as against $129,279 in the previous year. The aggregate sales for the eleven months ending with November amounted to 108,850,689 feet, compared with 81,083,568, and the aggregate price realized at $2,625,018 compared with $2,119,881.

Herrick Repudiates the Shining Tree Merger

The Herrick Gold Mine of Shining Tree, now being operated by the Tonopah of Nevada, has fallen in line with the Westree and repudiates the Shining Tree Consolidated. The company has issued a statement to the effect that the Herrick property mentioned in the prospectus issued by the Shining Tree Consolidated Mines has no connection whatever with the Herrick Gold Mines, Ltd. The Herrick Gold Mines, Limited, properties are at present being developed under a working option by the Tonopah Mining Company of Nevada. The management of the company warn shareholders against a transfer of their Herrick shares through any mistake, as in that event the company would not be responsible.

BELDING CORTICELLI IMPROVES POSITION

Increase in Sales and Profits—Outlook for New Year is Healthy One

From Our Own Correspondent.

MONTREAL.—An increase in sales and profits is reported by Belding Corticelli for the year ended Nov. 30, 1922, and this condition will be regarded as a satisfactory one by the shareholders in the face of the unsettled conditions that have prevailed. In his report for the year, the president, A. O. Dawson, states that as a result of the increase in the raw silk market there had been a steady increase in prices of finished products with the result that buying had been of a hand-to-mouth character. The travelers had to be kept continuously on the road seeking business, "and many thousands more of small parcels have been prepared and shipped, than would have been necessary had conditions been normal." One advantage of this condition, however, was that although the expense of handling the business was greater, stocks in the hands of the retail trade had been kept down to a low point and in need of continuous replacement.

Dealing with the outlook for the new year Mr. Dawson says that it is hopeful, "and though nothing the way of a boom is anticipated doubtless this condition is a healthy one."

With operating profits of $250,478, compared with $212,943 in 1921, there was available for preferred dividends $137,199, or 16 per cent., and $76,628 left for common dividends, or slightly more than 10 per cent. The amount earned on the preferred is mentioned because for the years 1917, 1918 and 1919, 14 per cent. was paid on the preferred covering arrears that had accumulated, and in 1920, eighteen months' dividends, meeting six months of arrears and the current dividend. So far no dividend has been paid on the common stock.

The balance sheet shows no marked changes; inventories are down $36,000 and loans reduced by $100,000, and net working capital is up over $100,000.

The profit and loss account and working capital items compare as follows:

Profit and Loss Account

	1922	1921	1920
Op. profits	$250,478	$212,943	$262,153
Sink. fund	14,790	14,791	14,791
Dep.	61,509	58,506	82,846
Deb. int.	36,980	36,980	36,980
Net income	137,199	102,666	127,536
Pfd. divids.	60,571	60,571	*90,957
Surplus	76,628	42,095	36,679
Prev. surp.	399,409	363,565	338,679
Total surp.	476,037	405,660	374.815
Deb. discount	26,250	6,250	6.250
Acc. ins. rec.	....	....	5,000
P. & L. surp.	449,786	399,409	363,565

*Dividends paid in the fiscal years 1919, 1918 and 1917 are for the two-year periods ended respectively May 31, 1919, 1917, 1915. Those for 1920 are for 18 months ended Nov. 30, 1920.

Working Capital Position

Current Assets—		
Cash	22,408	21,073
Accts. bills, rec.	569,437	605,688
Inventories	903,159	985,010
Co.'s bonds acquired for sink. fund	29,796	41,631
Total	1,524,802	1,653,402
Current Liabilities—		
Loans payable	390,000	490,000
Bills & accts. pay.	311,827	464.932
Accrued chgs., etc.	54,888	48,256
Pref. divids. pay.	15,142	15,143
Total	771,858	1,018,331
Bal. work. cap.	752,944	635,071

SELLS SYLVANITE INTEREST

Kirkland Lake Proprietary has Secured Considerable Cash

The Kirkland Lake Proprietary, owners of the Tough-Oakes, Burnside and a large interest in the Sylvanite, have disposed of their holdings in the latter company to Buffalo interests. The sum paid is said to have been $600,000 and this sum, which will all be paid within two months will finance the development of the properties of the Kirkland Proprietary. The mill on the Tough-Oakes has been closed down and will remain so until sufficient ore has been developed underground. Of late operations have been hampered because of lack of ore for the mill.

GRANBY MAY ANNEX CANADA COPPER.

The Granby Consolidated is negotiating for the holdings of the Canada Copper Co. in British Columbia. The plan is to double the capital of the Granby Co. to $50,000.000. At the present valuation of the New York market the acquirement would cost $3,750,000. The Canada Copper is believed to contain one of the largest deposits on the continent.

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C.P.T.Co.

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But when one feels fit and eager for the day's work, can make the ninth hole in four, and help carry a canoe around a three-mile portage—it's hard to contemplate the idea of a WILL with any seriousness.

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Every man has rather decided views about the disposition of the wealth that he has created and saved. And he can enforce his wishes by a carefully drawn will and a wise choice of an executor. He can choose no executor who will administer his estate more prudently and faithfully than—

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Manager Ontario Branch - A. E. HESSIN

11th Annual Report

The Western Life Assurance Co.

Head Office - Winnipeg

The close of 1922 finds the Company in a very strong, enviable condition.

Almost doubling its new business, and making a very large increase in business in force through the trying conditions of 1922, is a record the Company is proud of.

For the second successive year the books were closed with no unpaid interest due on the invested assets of the Company.

Summary 1922 Results

Applications Received	$2,251,615.00
Assurances, New and Revived	2,174,799.00
Premiums on Same	71,920.00
Assurance in Force	6,011,895.00
Premiums on Same	209,543.00
Admitted Assets	548,159.00
Policy Reserves	440,500.00
Surplus to Policyholders	100,083.00
Interest Received	26,389.00

JAS. M. CARRUTHERS, President. ADAM REID, Managing Director.

Stock Brokers and Investment Bankers

Ambitious young man, 25 years of age, has keen desire to become associated with a reliable firm along the above lines. Matriculant, nine years banking, accounting and financial experience and with the one idea of making good in the brokerage business. Has fair knowledge of the market and foreign exchange and has earnestly studied the Alexander Hamilton Institute Course. The very highest references would be furnished from all past and present employers regarding ability and character. Salary would be a secondary consideration if opportunites for advancement were assured. Box 65, FINANCIAL POST.

Casualty Inspector Wanted

Casualty Company (Canadian) requires services of Inspector for Ontario field, preference given to one having long experience and good agency connections.

Reply in confidence, stating age, qualifications and salary expected, to—

MANAGER,
P.O. Box 430, Montreal

GEO. O. MERSON & COMPANY
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REST—RECREATION —ROMANCE

This is a business age—an age of hurry and worry, of constant hustle and noise. People crowd into the city with its artificial atmosphere, where their lives are spent in a frantic rush to make money or to spend it. Men, women and children are caught alike in the rushing whirlpool. The conventionalities of civilization grow terribly irksome. Body and mind are tired. The heart cries out to get away from it all—to rest upon the kindly bosom of Mother Nature. The eternal human demand is for rest, recreation, romance. There is a place called Bigwin Inn on the Lake of Bays in the Highlands of Ontario. The very name seems to tell its enthralling story and to promise satisfaction for that insistent craving. The Inn, charming in appearance, commodious, comfortable, provides instant ease for mind and body. This year Bigwin Inn is to be the Mecca of good sportsmen from all over Canada and the United States. The bowlers will foregather during the week of July 23-28. Also in July will be held the championship tennis games of the Northern Ontario clubs, at which guests may compete. On August 6th the Lake of Bays Regatta takes place. Competitions in golf are to be an everyday excitement. Masquerade balls are planned for August, and throughout the season there will be frequent recitals given by the Anglo-Canadian Concert Band, one of the foremost musical organizations of the continent. Bigwin Inn is reached by the Grand Trunk Railway System on the Toronto-North Bay line via Huntsville. All information will be gladly supplied by its representatives, who will also forward, on application, a copy of the illustrated descriptive booklet.

E. S. ARMSTRONG
New York Philadelphia
'Stock Options'
107 Bay St. - Toronto
Adelaide 8268-9

MONEY, BANKING AND EXCHANGE

DEBT ADJUSTING A BIG PROBLEM ON THE PRAIRIES

Trouble With Farmers Has Been Too Much Credit

From Our Own Correspondent.

WINNIPEG.—The provincial secretary's intimation to the Manitoba Legislature that he will ask for an appropriation for operation of debt adjustment bureaus in the province is the first indication of the Bracken government's attitude toward the erection of machinery for rehabilitating farm finance in 1923. The Hon. D. L. McLeod for several months has been acting as provincial conciliator in the farmer debt problem, but no definite structure has been raised in Manitoba as appears to be functioning throughout Saskatchewan. In Saskatchewan some 40,000 cases of farmer debts have been adjusted in the present crop season and it is understood the government's machinery has been operating in a business-like manner. According to Provincial Secretary McLeod the Manitoba government proposes to employ an appropriation by establishing a board which will consist of a farmer and a business man who will function entirely as debt adjudicators and become more or less permanent machinery, for regulating the recurring problems of farmer finance in this province.

Steps have been taken in Alberta to bring about the consolidation of the debts of the farmers of the province and their amortisation during the next thirty years. At the Calgary conference of creditor classes a resolution was adopted calling upon the Alberta government to hold separate conferences with each of the various financial interests ultimately to work out a plan for consolidating the farmer debts. The Calgary proposal differs from the first suggestion heard at the U. F. A. convention and indeed at the U. F. M. convention at Brandon, Man., recently, that the prairie governments fund the debts of the financially embarrassed farmers and assume responsibility for eventual payment. Attorney-General Brownlee made it clear to the farmers of Alberta that the Alberta government could not consider any such methods. What is being attempted in Alberta now is to bring the creditor interests together and have them work out some plan by which they will co-operate with the banks in privately funding farmer debts and allowing the farmers longer periods for liquidation.

Too Much Debt Now

"The curse of the Alberta farmer is not that he cannot get into debt, or far enough into debt, but that he is already in debt too far and in too many cases," says the Edmonton Bulletin, adding: "He cannot get out by getting farther in; and in a number of cases which only defeat the theory of the convention economists, he would not try to get out if getting farther in and staying in were made easier than at present. What Alberta farmers and the province generally need more than anything else is for somebody to tell farmers how to get out of debt and stay out."

The Saskatoon Phoenix maintains that the Alberta debt consolidation plan cannot be looked upon as a panacea for the farmers' financial ills. The Phoenix argues that the chief problem at the moment is that of the farmer who has incurred interest charges in excess of the possible maximum income from his land.

F. W. Newton, M. L. A. for Roblin, took courage in his own hands and voiced an outspoken criticism of rural credits in the Manitoba legislature. He asserted that no government could afford to loan money on chattel mortgages as has been done under the Manitoba rural credit scheme. He expressed the hope that the system of farm loans would be taken out of politics. Rural credit officials, he maintained, are incompetent and ignorant of financial affairs.

"If liquidation was asked for within the next two months the loss," he said, "in federated district No. 1 (which is at Roblin, Man., representing 15 loan societies in the section of the province) where the loans total $1,000,000, would be $750,000."

Mr. Newton pointed out that under government system of rural credits, municipalities were liable for half the amount loaned but he insisted that the government must know that it was impossible at the present time for many municipalties to collect taxes, let alone sufficient funds for rural credit guarantees. He held that it would take fifteen years to repay many of the rural credit loans that have been made, which fully emphasizes the statements that have been set forth from time to time by THE FINANCIAL POST correspondent that rural credit loans cannot properly be regarded as liquid.

Continuing his criticism Mr. Newton charged that automobiles had been purchased with rural credit loans. He proposed that an investigation be instituted before the public accounts committee.

Farm Loan Societies

The annual report of the supervisor of Manitoba rural credit societies tabled in the legislature show that 74 societies with a membership of 4,992 were in active operation in the province during the nine months' period ending Aug. 21, 1922. Of these only one had been added since the end of the fiscal year 1921, but there were four other new societies formed as well as others in the process of formation.

At the end of the pervious year, Nov. 30, 1921, the loans outstanding amounted to $2,556,975. Of this amount $939,000 had been granted "for purposes from which returns could not have been realized in one year and these loans were, therefore, entitled to be carried over to 1922." Collections in the 9-month period from Dec. 1, 1921, to Aug. 31, 1922, amounted to $993,236.

New loans granted during 1922 were: stock, $39,174; machinery, $47,663; putting in and taking off crop, $134,213; breaking, $76,458; seed grain, $105,859; improvements, $87,161; retiring liabilities, $322,565; sundry, $630,007; hail insurance, $23,874. Total, $1,466,974.

BANKS OF U.S. NOT LOOKING TO CANADA

New York Banking Circles Do Not Take Report Seriously

From Our Own Correspondent.

NEW YORK.—Local Canadian bankers do not take the story which appeared in the Journal of Commerce under a Montreal date line regarding the desire of the large American banks to open Canadian offices at all seriously. The tendency on the part of the larger American banks since 1920 has been to close out foreign branches, not open new ones, they point out, in commenting on the story. After closing most of their European branches and the greater part of those opened during the war and after in South America, they do not believe that they are at all likely to reverse their policy in the case of Canada.

In its dispatch from Montreal, the newspaper claimed to find in the forthcoming conference between Canadian and American bankers in Montreal, an indication that preparations were being made to establish branches of American banks in the financial centres of the Dominion. The newspaper's correspondent in Montreal stated that in the recent past the Canadian banks have been approached by American interests anxious to obtain the right to establish offices in Canada. According to the newspaper the American bankers had asked certain changes in the Canadian Bank Act which would give to American banks the right which Canadian banks are accorded in the United States.

EXCHANGE UNSETTLED

Foreign exchange as represented by Sterling, Francs and Lire showed an appreciable strengthening during the past week only to show signs of the old weakness again at the close of the seven-day period. Lack of orders is said to be one reason for this. Canadian funds are unchanged the rate of discount standing the same at the opening and close, 1¼ per cent. The figures:

NEW YORK FUNDS

Feb. 1—Funds opened at 1¼ per cent. premium, and closed at 1¼.

Feb. 2—Opening at 1 1-16 premium funds eased to 1 1-32, moving again to 1 1-16 at the close.

Feb. 3—Funds opened unchanged at 1 1-16, and closed at 1 1-32.

Feb. 5—Opened at 1 1-32 premium, and advanced to 1 3-16 at the close.

Feb. 6—Opened at 1 13-16 premium and closed at 1 7-32.

Feb. 7—Opened at 1 7-32 premium, and closed at 1¼.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Feb. 1	4.65	5.92½	4.79¼
Feb. 2	4.66⅝	6.17¼	4.79½
Feb. 3	4.68⅛	6.49	4.95
Feb. 5	4.67½	6.42	4.85½
Feb. 6	4.78⅞	6.40	4.88
Feb. 7	4.73½	6.33	4.90

"BLUE SKY" MEASURE

The bill to govern the sale of securities in Ontario has been read a second time in the legislature and has been referred to a special committee for consideration.

WILL INCREASE CAPITAL

Crown Reserve will increase its capitalization from $2,000,000 to $4,000,000 to provide funds to develop its new gold property and erect a mill. The profit and loss account for 1922 shows a balance of $516,356 of which $480,838 is from 1920 and $31,136 from the sale of trustees stock. Expenditures were $26,991 leaving $489,365 as a balance. The annual meeting will be held Feb. 28th.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Feb. 1, 1923	Change	%
Montreal	$ 83,848,383—	$23,137,122	21.6
Toronto	83,497,969—	16,896,828	16.8
Ottawa	4,777,306—	2,489,667	34.3
Hamilton	4,630,341+	106,263	2.3
London	2,364,571—	185,211	7.3
Windsor	2,269,113—	206,620	8.3
Halifax	2,209,623—	838,831	27.5
St. John	1,981,301—	539,756	21.4
Moncton	790,649+	14,875	1.9
Kitchener	778,193—	71,730	8.4
Brantford	736,361—	124,190	14.4
Peterboro'	595,930—	134,596	18.4
Sherbrooke	568,934—	251,235	30.6
Total East	$189,048,674—	$44,754,648	19.1
Quebec	4,427,945		
Kingston	586,540		

WESTERN CITIES

	Feb. 1, 1923	Change	%
Winnipeg	$ 29,373,521—	$10,992,379	27.2
Vancouver	12,491,767+	173,225	1.4
Calgary	3,801,436—	693,066	15.4
Edmonton	3,711,238+	175,512	5.0
Regina	3,005,590+	207,787	7.4
Victoria	1,727,529—	251,222	12.7
Saskatoon	1,380,242+	16,819	1.2
Moose Jaw	852,360—	96,069	10.1
Ft. William	523,944—	298,922	36.1
Lethbridge	464,090—	159,351	25.6
N. Westminster	415,481—	70,641	14.5
Brandon	383,330—	84,501	18.1
Medicine Hat	241,094—	29,880	11.2
Total West	$ 58,371,622—	$12,102,688	17.2
Grand Total	$247,420,296—	$56,857,336	18.7
Prince Albert	301,096		
Year to date	$1,507,236,103—	$74,897,717	4.7

MOTORS EAT INTO D.U.R. SUBURBAN LINES EARNINGS

(Continued from page 1)

ready provided by steam and interurban railroads.' In short it has come to be recognized that one agency properly regulated and having proper facilities, is in a better position to serve the public with economy, than can several, especially when some are unregulated, and that no one should be permitted for profit to engage in any business that is injurious and sometimes destructive to the good roads of the country without paying properly for the use that they are permitted to make of such public facilities.

"The abuse by those engaged in the competition referred to has come to be so well recognized that it is understood that legislation dealing with the subject will be considered at the pending session of the legislature, for it is quite inconsistent to expect public agencies like interurban railroads to give the best service that can be given the public at the lowest cost, if their business is suffered to be ruined by interlopers who engage in their operations purely for personal profit without any obligation to serve the public except in places where it is profitable to do so.

"We are fortunate in being able to say that the limit of injury to our company by this unfair competition, has been reached. It has been experienced now for about two years and about all the harm that can be caused by it has been done—but it will continue, if unregulated, to prevent us giving as efficient service at the lowest cost possible as we could otherwise render."

Net earnings of the Company for the year 1922 were $1,677,874, as compared with $1,265,000 in 1921. But one dividend, 1½% was paid during the year, calling for the distribution of $230,275. Gross earnings were $13,184,770 as compared with $29,000,000 in 1920 and about $23,000,000 in 1921.

Royal

Edward A. McCurdy, whose death occurred recently at Newcastle, was formerly manager of the Royal Bank at that point. Mr. McCurdy went to Newcastle about thirty years ago as manager of the Royal, but about four years ago retired from the bank's service.

WINNIPEG ELECTRIC

The Winnipeg Electric Railway Company reports gross and net earnings for the month of December 1922, as compared with the same period of the previous year, as follows:

	Dec. 1922	1921	Increase
Gross	$556,687	$547,361	$9,325
O. Ex. & Tax	365,566	379,027	x13,460
	$191,120	$168,334	$22,786
Fixed Charg.	77,621	89,839	x12,217
Net Div. In.	$113,498	$78,494	$35,004

x—Decrease.

Investment Service

The Bond Department of this Bank is in a position to obtain accurate and invaluable information regarding any Canadian or Foreign Securities in which you may contemplate investing.

At all times we deal in Government and Municipal Bonds.

345

IMPERIAL BANK OF CANADA

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Benjamin Franklin said:

"A POLICY OF LIFE

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Provision for one's family.

It is a strange anomaly that men should be careful to insure their houses, their ships, their merchandise, and yet neglect to insure their lives—surely the most important of all to their families, and more subject to loss."

THE GREAT-WEST LIFE ASSURANCE COMPANY

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ENGINEERS CONTRACTORS

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Industrial Buildings
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DRUMMOND BLDG., MONTREAL

Substantial Gains

Made in 1922 by

The Dominion Life Assurance Company

Business issued and revived	$13,804,742		
Insurance in force	$59,607,578	Increase	$6,431,748
Total Assets	8,223,589	Increase	1,087,893
Total Income	2,387,693	Increase	314,991
Payments to Policyholders	617,133	Increase	53,934
Policyholders Surplus	793,777	Increase	106,850
Total Reserves	6,979,305	Increase	1,024,527

The funds of the Company are invested in gilt edged Securities and the average rate of interest earned during the year was 7.07%, an exceedingly satisfactory figure. These Securities are taken into the Assets at book value only, though their actual market value is more than $75,000 greater.

GROWTH IN FIVE YEARS:

	1917	1922
New Business	$ 4,974,170	$13,804,742
Insurance in Force	22,271,831	59,607,578
Income	1,000,071	2,387,693
Assets	4,664,833	8,223,589

HEAD OFFICE
WATERLOO, ONTARIO

NEWS AND VIEWS FOR MANAGERS

BANK INSPECTION BY GOVERNMENT FAILS IN PURPOSE

Experience of the United States Compared With England

Government inspection is one of the suggestions in connection with the periodical revision of the Bank Act which has been frequently discussed following the Merchants Bank collapse. In the following article which has appeared in the Manitoba Free Press some cogent arguments are given to show that the proposal would not work out in the public interest. —J.W.T.

The Merchants Bank episode has prompted a demand for government inspection of banks, but it may well be doubted whether due consideration of the subject has been given by those who divine a special virtue in that system. With what powers are the proposed inspectors to be clothed? "Unlimited powers," replies someone, "powers to examine books, accounts, cash and securities, and to appraise loans." Yes, to appraise loans, there's the rub; for will any reflecting person contend that an official of the crown, be he ever so talented, can assess the value of notes on hand which represent the commercial discounts of a bank with the same knowledge and accuracy a trained banker familiar with the borrower and his business? The thing is absurd on its face. There are upwards of 4,500 banks in Canada discounting commercial paper to the amount of $1,122,840,000. How many government inspectors will be required to investigate their affairs? Certainly an army of officials, only a modicum of whom, in the very nature of things, can possess qualifications for efficient inspection. Government inspectors might possibly count cash and verify statements in a certain number of the larger banks, but that proceeding would constitute no protection to the creditors of these institutions. Losses do not occur through careless handling of specie or Dominion notes; bank statements are not wilfully made untruthful. Banks become insolvent through bad debts, by making bad loans, and unless a government inspector possesses the power of prescience his work is utterly useless. True, he may discover and report a loss after the event, but what avails that? The mischief is already done, and will be revealed quickly enough without the intervention of a government official.

These two propositions are incontrovertible: (1) That government bank inspection is worthless unless it extends to appraisal of all assets; and (2) that the exercise of such power converts the government officer into the manager of the institution.

The Dominion superintendent of insurance can count the securities and verify the cash of an insurance company, but he cannot appraise the risks of the concern. That particular function, upon which the success or failure of the company depends, belongs to a trained professional man, namely the doctor. And so with the banks. A government inspector can perform certain perfunctory duties in the examination of banks, but he cannot for lack of knowledge appraise the loans upon which the solvency of the bank absolutely depends.

The futility of the plan has been proved. In Great Britain, where banking and finance have become a high art, there is no government bank inspection, but in the United States the system exists. If this method of inspection provides adequate protection to creditors, bank failures should be unknown in that country. Are they? Look at the statistics. In 1919, there failed in the United States 50 banks with liabilities of $113,291,000. In 1917, 132 banks went under with liabilities of $123,127,000. In not one single year under government inspection has there been an absence of bank failures in the United States, the panic in 1893 producing the great number of 642 insolvencies. The paradoxical thing is that the very people who cry out for government inspection are equally insistent on a policy of liberal bank loans. They want more credit, and want a system to check credits. Surely, it is obvious that if government inspections displayed care for consequences they would "play safe" and insist upon banks loaning upon none but gilt-edged paper, in which circumstances the farmer, the young merchant, the enterprising man of brains and character but lacking capital, would have a slim chance of obtaining the accommodation banks now readily grant.

Of all the proposed amendments to the Bank Act a system of government inspection will least stand the test of experience elsewhere and of common sense, and the plan is objectionable, not from the standpoint of bankers and shareholders, but of the general public, who are or may become borrowers.

Winter Sports in Montreal

Montrealers and their guests are revelling in the delights of Winter Sports during the Winter Carnival period, which will continue up to March 1st. Where else in North America do you find it more delightful; where else will you find the joys of the most joyous season of the year so all-pervading or so accessible as in that fine old city rambling for miles up and down the banks of the mighty St. Lawrence river, and more than half surrounding historic, hoary old Mount Royal? All the Canadian winter sports including, skating, snow shoeing, tobogganing, ski-ing, ski-joring, hockey, curling and sleigh-driving can be enjoyed.

The Grand Trunk Railway offers exceptional service to Montreal, and any information desired will be gladly given by any of the Grand Trunk Agents.

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TORONTO

Western Farmers Do Not Ask Radical Changes in Bank Act

Appreciate That Economic Adjustments Must Be Worked Out in Accordance With Economic Law and That Cheap Money is a Menace, Not a Cure

Because of the demands of radicals for drastic changes in the Canadian Bank Act and the organization of a government bank or other innovations to create cheap money it is not to be supposed that the great body of farmers in either Eastern or Western Canada are carried away by such agitations. The average farmer has had good service from the banks. This is indicated in the considered, sensible treatment of the question by the editor of the Co-Operative News, published by the Saskatchewan Co-Operative Elevator Company, Limited.—J.W.T.

Several conditions have forced from the farming community of Western Canada an expression, through the Canadian Council of Agriculture, of its sense of dissatisfaction with the Canadian banking system and of the necessity for thorough investigation of it. The causes of the farmers' dissatisfaction may be divided into two distinct groups. One set of circumstances leading to the demand for a banking inquiry may be regarded as more or less permanent; the other includes conditions of a more onerous, but of a temporary, character. Criticism of the Canadian banking system, and indeed of the handling of credit and currency in other countries, has been stimulated by certain conditions which are the unavoidable outcome of the war. These conditions are closely intermixed with the other defects of the banking system which have nothing to do with the economic consequences of the war. Confusion of thought has inevitably resulted from the difficulty of separating these two sets of circumstances. But it would be a mistake to allow this criticism and confusion to be the excuse for one of those periodic agitations for the adoption of plausible, but entirely unsound, "remedies" for financial depression which have on many occasions served only to defeat the effort to obtain real and lasting economic reforms. What is required is a careful scrutiny of all the conditions affecting prices, loans and financial depression. The temporarily adverse conditions require to be separated from those which are liable to become permanent. Remedies for the latter defects and palliatives for the former are really two distinct considerations.

In considering the demands which have arisen for drastic changes in the Canadian banking system and in the currency arrangements of this country it would be misleading and futile to treat those conditions which have resulted from the war as though they were normal and permanent factors in the problems of rural finance and credit. There is, however, a quite evident disposition to treat them in that manner, which is combined with a tendency to ignore the true functions of money and credit in the conduct of economic processes. A great deal is said about deflation of prices, about the burden of taxation and about the lack of purchasing power in many countries involved in the war, which ignores the accepted truths of economic science and which assumes the permanence of the conditions arising out of the war.

It is frequently forgotten, or at any rate it is not admitted, that for some of the existing economic disabilities there may be no cure but endurance. The consequences of the war in the economic sphere may be, literally inescapable. It is easy to overlook the undoubted fact that the consequences of breaking up economic processes and of flying in the face of economic influences have to be suffered, just as the consequences of disregarding the laws of physical health have to be suffered, and that it may be as hard, or harder, to find remedies for such economic diseases as it frequently is to cure physical ills resulting from abuse of, or undue strain upon, one's physical powers.

The war entailed the turning of all the economic resources of the nations engaged in it to purposes entirely destructive and wasteful. Every war has entailed a similar abuse of economic powers, a similar dislocation of economic processes, a similar departure from the conditions which conduce to economic health and a similar creation of the conditions which produce economic ill-health. And it is not to be assumed that remedies can be applied which will restore economic well-being immediately. A long and slow convalescence is the more probable outcome.

One of the principal effects of the war was to place a very heavy strain upon the finances and the credit of the nations involved in it. As a result of the extraordinary measures demanded, combined with the necessity for diverting all economic energies into the channels essential to the conduct of the war, prices were greatly enhanced, partly by relative scarcity, and partly by monetary inflation. It is a sign of the confusion of thought in some quarters in regard to these conditions that the deflation of prices which has followed their inevitable inflation during the war is being referred to as a condition for which the banks are primarily responsible. Deflation has involved hardship, particularly to agriculturists; and it is assumed by some that this hardship was avoidable and

(Continued on Page 15)

CANADIAN BANKER MURDERED IN EGYPT

Grandson of Sir Hugh Allan Killed by Thieves at Tomb of Tutankhamen

From Our Own Correspondent.

MONTREAL.—Banking and social circles were shocked by a cable from Egypt stating that Travers Allan, the only surviving grandson of the late Sir Hugh Allan, bearing the Allan name, and a nephew of Sir Montagu Allan, had been murdered just outside Luxor, Egypt, where the tomb of the Pharaoh Tutankhamen is being uncovered. It is believed he fell a victim to a gang of thieves who had been attracted by the presence of wealthy tourists. The impression is that he was on his way to see the ruins of Karnak by moonlight. Hugh A. Allan, of Montreal, has received confirmation of the murder.

The late Mr. Allan was the son of the late Alexander Rae Allan and Eva Belford Travers, a daughter of R. N. Travers, of Brockville, Ont., for many years manager of the Bank of Montreal at Hamilton. He was 47 years of age and was educated at Trinity College School, Port Hope. He entered the service of the Bank of Montreal in October, 1892, as a junior clerk and was appointed manager of the Peel Street branch in 1908, holding the position until he resigned from the bank's service in October, 1913. After his father's death his mother came from Brockville to live with her only son, and he built a house on Pine avenue, near Cedar avenue, in Montreal. Soon after his mother's death, Mr. Allan resigned from the bank, later sold his house, and devoted his time to travel, and, having no family ties in the city, he spent very little of his time in Montreal. The continent of Europe, Egypt and Santa Barbara, California, were favorite places with him and of recent years he had traveled almost continuously with his uncle, James B. Allan, a brother of Lady Meredith, wife of Sir Vincent Meredith of the Bank of Montreal, and who was with him on his fatal trip. Mr. Allan left Montreal about last September, and traveled by easy stages to Italy and on to Egypt, and after staying some time in Cairo, the uncle and nephew hired a yacht and intended to proceed leisurely up the Nile.

BANKER'S TRAGIC DEATH

Winnipeg Manager and Wife Victims of Pneumonia

The epidemic of influenza and pneumonia has been marked by the sudden and tragic death of E. F. Kohl, manager of the Main St. branch of the Molsons Bank, at Winnipeg, who passed away a few hours after Mrs. Kohl had also been taken by pneumonia. Both were ill only a couple of days. They were buried together, following a single service, a marked contrast to plans for leaving for Florida, which were so rudely interfered with.

Mr. Kohl had been manager of the bank for 35 years and in length of service was one of the oldest employees of the institution. He began his career in Montreal where he entered the Molsons 45 years ago.

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WESTERN HOMES, LIMITED
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WINNIPEG CANADA

Capital Authorized	$5,000,000.00
Capital Subscribed	2,001,000.00
Capital Paid Up (at Dec. 30, 1922)	592,072.10

EIGHT YEARS IN BUSINESS—NOT A DOLLAR LOST

Comparison showing Year's progress—Dec. 31, 1921, to Dec. 31, 1922.

	1921	1922	1922 increase
Capital Subscribed	$1,630,800.00	$2,001,000.00	$370,200.00
Capital Paid Up	448,185.45	592,072.10	143,886.65
Assets	494,700.09	654,723.41	160,023.32
Deferred Profits and Surplus	46,244.84	62,651.31	16,406.47
Net Profits	27,897.58	44,295.79	16,398.21

Since January 1st, 1923, Paid Up Capital has increased by $21,540.51.

The mortgage investments of Western Homes, Limited, are well distributed and average below $2,000. The securities, consisting of moderately priced modern homes in growing cities and improved farms, held by the Company to protect its invested capital of $600,000.00, are valued by an expert and reliable appraiser at over $1,500,000.00. Collections on mortgage accounts during the year amounted to $112,670.84. The Company has paid dividends regularly every six months since it began business, at the rate of seven per cent. per annum. Shares are available for purchase on convenient terms. For full particulars and any desired information, write to the Company's Office, Winnipeg, Canada.

M. WILLIS ARGUE, President and Manager.

Doubled in Four Years

	1918	1922
Insurance in Force	$17,398,195.00	$34,460,044.00
Assets	2,554,434.33	4,789,562.74
Surplus Funds	94,660.21	464,954.65

The largest gains were in 1922.

The rapid growth of the insurance in force is accompanied by a still more rapid growth of surplus, which makes this company a leader in earning dividends for policyholders.

G. T. SOMERS, *President*
JNO. G. KENT, *Vice-President*
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A. H. SELWYN MARKS, *Secretary*
F. W. HILL, *Assistant Actuary*

CROWN LIFE INSURANCE COMPANY

Sterling

The Sterling Bank reports the following staff changes: R. R. Gilbert, has been appointed acting manager and acting supervisor at Goderich; W. H. Bowlby, of the Credit department at head office, has been appointed manager of the Church St., Toronto, branch; D. N. Lindsay, transferred from Stayner to Barrie branch as accountant; A. M. Ronald of the Killaloe branch transferred to Stayner as teller-accountant; J. B. Nicol of Bayfield, transferred to Port Credit; C. T. Porter, manager of Alton branch, transferred to head office; A. T. Smyth, acting manager at Hanley, Sask., transferred to head office; W. R. Cathcart, of the Kelwood branch, transferred to Winnipeg; W. O. Slawson of the Winnipeg branch, transferred to the office of Western supervisor; J. H. E. Connell, formerly of the Toronto branch, transferred to Fort Erie as accountant.

THE FINANCIAL POST

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, FEBRUARY 9, 1923

MAINTAINING INTERNATIONAL GOOD-WILL

IT WOULD no doubt be regarded as a very satisfactory development in certain quarters if a breach could be created between Great Britain and the United States regarding the debt settlement. The interview of Rt. Hon. Stanley Baldwin on his return to England has evidently been seized upon for this purpose and some of the frank phrases cabled to America have been set in a background entirely different to what they have been revealed with the transmission of the full statement. Mr. Baldwin, who is a business man, failed as a diplomat by making a statement which was readily misconstrued by those desiring to make such use of it but the ill-effects have not been lasting.

The Baldwin incident is typical of the misrepresentation going on and the nonsense being published. We believe that when history comes to be written it will be found that the American government has done very well under antagonistic pressure and that this is appreciated by the people in both England and America in the best position to judge.

The American attitude is to be judged by the statements of such men as Chauncey M. Depew, the octogenarian company and service builder, who before a New York audience last week lauded the British for their good faith in paying their debts. He expressed the hope that the attitude of Congress, despite all the blocs and combinations, would be: "We'll help you all we can in your splendid work of recovery and rehabilitation."

The politicians in England are busy misrepresenting the United States and the politicians in the United States are busy misrepresenting England. We must turn to the leaders of sound and experienced judgment to keep our balance.

COUEISM IN WESTERN CANADA

WESTERN farmers seem to be losing faith in the "union" movement to solve their economic ills. The employment of political, co-operative or other methods which were advertised as being able to bring into the lap of the man on the farm all the magnified benefits now accruing to the manufacturers, the wholesalers, the retailers, the banks, the loan companies and business institutions in general, have failed. There is a growing appreciation that the success of agriculture lies in the direction of good farming and not in playing at politics; that paternalistic schemes only help the lazy and indolent at the expense of the producers.

Recent statements have shown how the grain growers' organizations have lost business in the implement trade, in the lumber industry and in other specialized business fields. The membership of the United Farmers of Alberta has dropped from 31,500 to 14,000 in a year. The conventions of United Farmers in all three Western provinces have had comparatively poor attendances.

Writing of the U.F.A. convention at Calgary, a farmer describes it to THE FINANCIAL POST as "about the tamest thing that ever happened in these parts." He says that there seemed to be very little accomplished except the election of officials and the discussion of a lot of "tommy-rot." "Not one thing constructive," he goes on, "few resolutions but freaks and about three-fourths of them never up for discussion at all. Wood was, as usual, the whole thing and what he said went. It was well arranged in advance."

The Western Grain Growers' organizations have proven a success from the marketing standpoint—perhaps the farmers are willing to do more for and expect less from their own company than from a private concern. The elevator companies were soundly formed and have been operated on strict business lines. It has been since politicians have tried to get the farmers to go into all sorts of ventures, with or without government backing, on the basis that they would get their goods cheaper and also reap a profit, that the difficulties have arisen.

And now there is the realization that the way out is by hard work—all the "Couéism" in the world will not make things a bit better if the patient does not help himself.

NOT AN AGE OF MIRACLES

SEVERAL actions for conspiracy, fraud and theft are now being heard in the courts as the aftermath of the promotion of the Instantaneous Electric Heater a couple of years ago. Recovery of sums from $1,000 to $2,000 is sought.

Readers of THE FINANCIAL POST were warned against this enterprise. When stock was first offered we referred to it as "highly speculative" and declared that "expert opinion is that while it might be possible to heat a stream of water in this way, the consumption of electricity would be so great as to make it too expensive for ordinary domestic purposes."

The remarkable part about the promotion of these mechanical miracles is that they appeal to the people who should be the last to consider them. They would not be considered by business men because they are not promoted on a business basis, they would not be considered by mechanical experts because they at once recognize the mechanical weaknesses and they would not be considered by speculators because they want a "run for their money" even when taking a gamble. The promoters realize this and so they go to widows and wage earners who are willing to believe that Henry Fords are being born every minute and that they have been favored with the great opportunity to share in the fortunes of genius. They are usually so selfish about their good fortune that they do not ask questions until afterwards and then they are inclined to think that those who tell them the truth are merely jealous of what they regard as their great business acumen and foresight.

The only way in which the investor can protect himself is to look—and ask a few questions—before he leaps.

NO DOLES FOR LOAFERS IN ENGLAND

LABOR radicals in this country have made much of the fact that in Great Britain £250,000,000 has been expended on unemployment relief since the signing of the armistice. The idea that the British government makes a distribution to everyone who cannot find a job just suited to the individual taste or paying satisfactory wages, has been a factor in organized demands for handouts upon both federal and provincial governments in this country, and has been largely responsible for such organizations as Riley's Army which marched on Ottawa and the National Association of Unemployed organized at Winnipeg.

But the idea that the British government hands out doles to those who prefer not to work is, of course, far from the fact, as was emphasized by Sir Robert Horne, former Chancellor of the Exchequer, in his address before the Empire Club of Toronto last week. The distribution made to those who cannot find employment is made from a fund to which the workers themselves as well as the employers and the government contribute. Thus the workers as well as the employers are interested in seeing that only bona fide claims are paid.

Sir Robert's explanation should be more widely appreciated than it evidently is. It is important in accounting for Great Britain's industrial and financial recovery as indicated by the rise in the value of the pound sterling—a recovery which would not have been possible had the government played the part of Santa Claus to all the reds and radicals and other loafers who preferred to get their pay envelopes from the public treasury without doing any work.

WHEN "WATERED" STOCK IS NOT WATER

WITH a show of disgust a Toronto business man pointed to an editorial in a daily newspaper on the subject of "watered" stock. The article roundly condemned the issuance of stock in a company beyond the actual cash investment by the promoters and investors.

"How the people will eat that up," commented this business man. "They love to be told that the corporations are out to steal their bread and butter from their mouths and their shirts from off their backs. And the paper fills up its readers with tommy-rot about a subject the editor knows nothing about. Look at that headline!" The headline contained statements that had no foundation of truth in the story below them.

"Watered stock!" exclaimed this business man. "How about watered headlines?"

He proceeded to tell about a company he had formed once. He got $250,000 of common stock in the company—about a quarter of the total—when it was formed. "They called that watered stock," he complained. "But for two years I scarcely slept a wink when I was organizing that company. I took up options on plants and bought up others. I dickered and argued and fought and rushed around the country until I was almost a physical wreck. I saved the new company many thousands of dollars. I threw my last cent in the pot and tossed my shoe strings after it. One time I had $330 in the bank and wrote my cheque for nearly a million. It worked out all right but if it hadn't I hesitate to say what would have happened. And when all was smoothly running I got $250,000 in common stock, which might be worth something if my project proved a success. That's watered stock. Let me tell you that the water in my watered stock wasn't water at all. It was sweat."

Admitting that there are dozens of corporations that have inflated their securities to a dangerous point; admitting that the public as consumers of the company's products suffer, though not a tenth degree that the shareholders suffer, isn't there reason to pause before indiscriminately talking about watered stock? A great deal of so-called watered stock does not represent water but rather the hard work of a far-seeing business man; the inspiration of his mind and the perspiration of his brow; the intangible but tremendous value of ideas that are the result of creative thinking and work that is the essence of individual effort. Such stock is recognized by investors as having a real value even when they secure it as a bonus because they are then willing to pay for the senior securities a price above the real market value of stock or bonds in a new enterprise.

EDITORIAL NOTES

THE BORROWER of money agrees to pay a fixed rate of interest. He expects to use the money to yield a profit, and if successful the profit is all his own; the lender has no claim upon it. On the other hand, if he loses, the loss is all his own; the lender does not share in it. The risks of loss and chances of profit are compensatory; they go together.

* * * *

CANADIANS ARE natural born kickers, according to Mr. Justice Riddell. "Why shouldn't they be?" he asks. "They are a free people. It is the right of free men to kick, and free women to doubly kick, for that matter. God help that people who, when they see the sign 'Verboten,' obey. You know what happened to the nation that did that. On this continent, if you see a sign 'keep off the grass,' that is a tacit invitation to cross it."

* * * *

THE RATE for Toronto's power from the Ontario Hydro Commission for last year has been increased from $18.10 per horse power, to $22 per horse power, and the city will have to pay that price for the power for the whole year already sold to consumers at a lower rate. The difference will be taken out of the consumers later. This is a fine illustration of the operation of the service-at-cost system when there is a deficit.

* * * *

IN THESE TIMES when there is so much talk of high finance and so many people are striving to get rich over night, the atmosphere is tempered by such remarks as those of E. R. C. Clarkson, vice-president of the Canada Permanent Mortgage Corporation, who at the annual meeting explained that the management was "utterly opposed to all speculative tendencies, very glad for profits fairly won, but careful of the strength of our superstructure, above all things."

* * * *

IN REFERRING to the appointment of a commission to inquire into lake grain rates, the Grain Trade News points out as interesting that the Prime Minister who now announces that his government "had made up its mind to get after any combines which it found existing," is the same Prime Minister who last year offered not only to promote a combine in wheat trading, but who actually put through legislation to make possible a compulsory monopoly in this important sphere of business.

Tobacco King a Meteor in American Business World

James B. Duke, Who Has Extended Activities to Canada and is Associated with Sir William Price in Quebec Power Development

By A. G. SLATER.

The career of James Brodie Duke, who with Sir William Price is back of the Quebec Development Company, which plans to develop the water power of the Grand Discharge in Northern Quebec, has been spectacular enough to satisfy even the most avid reader of "success" stories. Starting as a farm boy in 1857, he is to-day the "tobacco king" of the United States, the titular and actual head of a gigantic industry he has been largely instrumental in creating. He is head of the Tobacco Products Corporation with an authorized capital in excess of $157,000,000 and as such controls not only the largest corporation manufacturing cigarettes, smoking tobacco and cigarette paper in the world, but controls the United Retail Stores, which in turn controls the United Cigar Stores, the largest and most important retail organization in North America of its kind. And this being the case it is not at all surprising that his mere name is a power in the tobacco industry today. In tobacco circles one has but to mention it to get attention and to unlock the tongues of those who know him. And the stories that are told are in many cases as remarkable as the man himself and his career.

Started in a Barn

It seems that the business which J. B. Duke has built into the gigantic Tobacco Products Co. started in a barn. For it was in such a humble factory that the Duke family made its first cigarettes. Here it was that his father started making cigarettes and plug tobacco after the close of the Civil War and here it was that James B. began work at fourteen.

With the passage of the years the Duke Tobacco Company prospered. In 1871 a real factory was built. The company's success was largely due, it is said, to the energy with which James B. pushed its sales and systematized its manufacturing processes. In 1889 the business handled amounted to $4,500,000 a year. But this did not satisfy James B. He began advertising. He invented the coupon. He gave bonuses to retailers. He cut prices. At first his competitors laughed at him. But finally his business grew to such dimensions that his largest competitors were forced to amalgamate with him and capitalize the new business at $25,000,000. This business was called the American Tobacco Company.

And still James B. Duke sought new worlds to conquer. Tobacco company after tobacco company was taken under the wing of the new company. It grew with extraordinary rapidity. In a few brief years J. B. Duke and his associates not only controlled four-fifths of the tobacco production of the United States but controlled tobacco manufacturing organizations in all parts of their world.

Naturally the tobacco trust made money. It paid forty per cent. dividends, paid off thirty millions of its own bonds in ten years, even offered to pay off the whole debt of the State of North Carolina.

At this time Mr. Duke's name was much in the newspapers. In many ways a "character," his doings lent themselves admirably to newspaper exploitation. He was the embodiment of the popular idea of the American millionaire of the period. He spent money lavishly in a way that appealed apparently to the minds of newspapermen.

His so-called "farm" near Somerville, N. J., came in for a lot of attention. Its area was 2,500 acres. There was an artificial lake on it nine acres in extent that cost a million dollars to construct. There were, as well, sixteen smaller lakes, twenty waterfalls, two hundred fountains, one hundred thousand trees and millions of plants imported from all parts of the world. Obviously James B. Duke, did big things in a big way. He was a man after an American's heart.

Mr. Duke did not marry until he was fifty. The first marriage did not last. It ended in the divorce court. But from the public point of view, the second venture was more interesting.

Spectacular Wedding

In 1907 Mr. Duke married again, this time to a celebrated Southern beauty. The celebration did credit to even Mr. Duke. The grounds of the Somerville Estate were turned into what the newspapers of the day describe as "fairyland." The twenty waterfalls and the two hundred fountains were made to work under forced draft. So much so in fact, that the Raritan River which fed them ran dry and Raritan Woolen Mills had to close from lack of water.

In 1912 or thereabouts the United States Supreme Court dissolved the American Tobacco Company on the ground that it violated the Sherman Anti-Trust Act. Apparently quite disgusted Mr. Duke left for Europe to devote his attention to the British-American Tobacco Company.

When in London he obtained much publicity from the newspapers when it was discovered that he smoked $5 cigars when King Edward's cost only $2.65.

Power Scheme in South

The new Quebec waterpower development enterprise is far from being Mr. Duke's first. He is known in the American South as the father of the Southern Power Company. This organization was formed to supply power to the Southern farmers. The American Tobacco Company invested some $16,000,000 in the company. Eventually the Southern Power Company came to supply power to three-quarters of the mills in the South and to yield a net profit of one million a year. So Mr. Duke can hardly be regarded as a novice in the development of hydro electric enterprises.

A remarkable man, for all his eccentricities, he has an established reputation for getting things done. Quebecers may rest assured that there is going to be something doing up in the neighborhood of Lake St. John now that J. B. Duke and his associates have taken hold.

Canada Year Book Now of Great Value

Some years ago in the competent hands of Mr. R. H. Coats, now Dominion Statistician, the Canada Year Book assumed a new character. It became less of a mass of incoordinated and frequently unsummarized details and more of a survey of Canadian activities during the year.

Under the editorship of Mr. S. A. Cudmore, formerly Associate Professor of Political Economy in the University of Toronto, the policy of expanding the Year Book into a collection of treatises upon special topics together comprising a systematic economic survey of the Dominion has been pursued with great success. The present volume, which has just been issued, is nominally the Year Book for 1921, but in many respects the statistics are actually brought down to the end of the fiscal year, June 30th, 1922. The volume is illustrated with numerous maps and charts which add greatly to its usefulness.

There are informative chapters upon vital statistics, production, transportation, labour, administration and legislation. In these chapters the statistical tables are supplemented by analysis and commentary. The usefulness of the Canadian Year Book for purposes of reference has been enormously increased by these new features and the annual volume now takes a worthy place alongside the similar annuals of New Zealand and Australia which for many years held a leading place among such publications.

The Canada Year Book, 1921. Published by the Dominion Bureau of Statistics, Ottawa.

An Old Face Missing

From Our Own Correspondent.

MONTREAL.—One well known face was missing for almost the first time in fifty years when the directors and shareholders of Montreal Cottons assembled for their annual meeting on Monday here, that of Samuel Hamilton Ewing, who had passed away towards the close of the week. One year ago in referring to the annual meeting THE FINANCIAL POST said:

"A unique feature of the annual meeting of Montreal Cottons on Wednesday was the retirement of S. H. Ewing from the presidency at the age of 87. Mr. Ewing has been a member of the Board for 40 years (and president for nearly half that time), and in those 40 years has missed only one annual meeting of the company."

But this year it fell to the lot of his successor in the presidency, Sir Charles Gordon, and the vice-president, Sir Herbert Holt, to make feeling references to the loss the company and industrial circles in Canada had sustained through his death.

Particularly with the textile industry is his name associated. By tradition, through a business in coffee and spices established by his father some seventy-seven years ago, when he brought his family including the young son of eleven years, to Canada from Ireland, the son seemed fairly far removed from textiles. To this business of the father he succeeded at the age of 28. It was not long after when, in association with A. F. Gault, Victor Hudon and others, he founded the original Hochelaga Cotton Mills, nearly half a century ago, and later on the Montreal Cotton Co., afterwards Montreal Cottons. He was also actively connected with the establishment of the textile mills at Cornwall, and other points in Ontario.

Another institution with which the late Mr. Ewing was intimately related is the Molsons Bank. He was one of the oldest directors of this institution and until one year ago was vice-president. Four days before his death he drove down, despite his 88 years, for a conference with the general manager, E. C. Pratt. The same day he called at the Sun Life Assurance Co. offices for consultation there too, for of this he was not only a valued director, but a vice-president.

Among other active positions held by the late Mr. Ewing were: President of the Canada Accident Assurance Co.; president of the Cornwall Street Railway Company; director of Illinois Traction Company, Atlantic Sugar Refineries, Crown Trust, Standard Clay Products; president of the Canadian Bond Crown Co., Ltd., the Canadian Connecticut Cotton Mills Co. of Sherbrooke, president of the Montreal Freehold Co., Ltd. He was also president of S. H. Ewing & Sons, Limited. He retired from most of his clubs with advancing years, but was still one of the oldest members of the St. James Club. He was a life governor of the Montreal General Hospital and Protestant Hospital for the Insane, Verdun. He was also one of the oldest members of the Montreal Board of Trade, and of the Irish Protestant Benevolent Society of Montreal.

Among his earlier memories was of a city of only 48,000 inhabitants—smaller than London, Ont., to-day. He also recalled the fire of 1852, when over 1,200 houses were burned.

His church connections were with Old St. Andrews, Presbyterian, of which he had been a member since 1876.

"Scientific Art Here; Bad Habit in England"

SIR ROBERT HOME on Post-Prandial Oratory in Address to Montreal Canadian Club.

MONTREAL.—In an address to one of the largest gatherings that the Canadian Club has ever held in this city Sir Robert Horne remarked that post-prandial oratory had evidently become a scientific art in this country. "With us, on the other hand," he added, "it is considered nothing more than a bad habit."

He went on to remark that contrary to his expectations his trip here had resolved itself into a series of after-dinner speeches. So now after delivering so many he felt a good deal like the Scotchman who had been courting a girl for 15 years "in the deliberate way we have of doing those things over there," but one day when the two were out in the country, under the tender influence of the bright sun, the flowers and the grass, or the beauty of her frock, he turned to her and said: "Jean, will you marry me," and she replied, "Yes." After that they wandered up and down for mile after mile in complete silence. Piqued by this silence the girl finally turned to him and said, "Have you nothing more to say to me?" And his answer was, "Jean, I have said far too much already."

PERSONALS

HOWARD MURRAY, O. B. E., who was recently admitted to partnership in the firm of Aldred & Co., has been appointed a director of the Pennsylvania Water & Power Co., whose chief market is Baltimore, 40 miles distant.

H. F. E. KENT, the newly-elected president of the Canadian Pulp and Paper Association, is president and managing director of the Kinleith Paper Mills, of St. Catharines, manufacturers of book, writing and bond papers. Mr. Kent's head office is in Toronto. His whole life has been spent in the paper trade and he is recognized as an expert in the finer grades of paper.

B. C. PARKER, Winnipeg, a member of the legal firm of Machray, Sharpe, Parker Co., has been added as a director of Western Homes Ltd., Winnipeg. He has lived in the West practically all his life, his parents being residents of Morden, where he was a boy. He is a graduate of the University of Manitoba and was admitted to the Manitoba Bar in 1910; since being admitted to the Bar he has practiced law in Winnipeg.

W. H. SMITH, General Manager of the Canada Atlantic Transit Company, Montreal, and the Ontario Car Ferry Company, Limited, died suddenly in Detroit, where he had gone to attend a conference of officials of the Grand Trunk Railway. Mr. Smith attended the meeting during the afternoon and died at his hotel in the evening. Mr. Smith, who was in his sixty-fifth year, was born at Ogdensburg, N.Y. He entered the service of the Grand Trunk Railway in 1898 as General Agent and Accountant, Canada Atlantic Railway and Steamers, at Depot Harbor, Ont.

FRANK G. DANIELS, who was added to the Board of Directors of Montreal Cottons this week is managing director of the Dominion Textile Co., and one of the ablest technical men in that industry in Canada today. Mr. Daniels' special forte is generally considered to be his shrewd judgment of the raw cotton market, a department of vast importance with sharply fluctuating prices such as have been witnessed ever since the outbreak of the war. Most of his life he has spent with Dominion Textile or associated interests. When the merger of cotton companies into "Textile" took place in 1905, Mr. Daniels was superintendent of the Montmorency Cotton Mills Co., an independent concern located at Montmorency Falls, Que. He was continued in this position after the merger and later made manager of mills under A. B. Mole, who was general manager of Dominion Textile Co. Mr. Daniels afterwards succeeded Mr. Mole as general manager of the whole organization. Mr. Daniels is also a director of the Brinton Carpet Co. of Peterborough, which has made marked progress during the past few years.

WALL STREET AT THE OPERA

Financiers continue their interest in the opera as they did ten, twenty and more years ago, and, with their wives and families, make up the most important part of any Metropolitan audience. J. P. Morgan holds what is conceded to be the best box, famous No. 35, right in the centre of the parterre—the diamond horseshoe.

Boxes No. 30 and 31, nearby, are owned by H. P. Whitney and Reginald C. Vanderbilt. Along the sides are other notables. Mrs. Ogden Goelet has box No. 1 and Mrs. Cornelius Vanderbilt No. 3. Directly opposite, in No. 4, is August Belmont's and adjacent is Harold S. and W. K. Vanderbilt's box. Vincent Astor has No. 7; George F. Baker and William Fahnestock No. 10; Henry Clews, No. 12; Moses Taylor, No. 13; Otto Kahn, No. 14; E. H. Gary, No. 15; E. F. Hutton, No. 16; Ogden Mills, No. 20.

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

COST OF LIVING

McT., Toronto.—Can you tell me the range in the cost of living in Canada since the beginning of the present century. I want to compare the taxes of our city with the cost of living.

It cost $9.37 a week for the average family to live in 1900. Since then the range has been as follows:

1900	$ 9.37	1916	$16.05
1905	10.50	1917	19.19
1910	12.79	1918	21.61
1911	13.00	1919	22.99
1912	13.79	1920	26.13
1913	14.02	1921	21.60
1914	14.36	1922	20.88
1915	13.81		

C. N. R. DEBENTURE STOCK

Reader, Grimsby.—Would you consider Canadian Northern Railway 5% income charge debenture stock a suitable and desirable investment for trust funds? May it be taken for granted that from a practical point of view this security will be provided for at maturity in 1930 by the Dominion of Canada? Is a first charge on the assets of the company prior to securities which are specifically guaranteed by the Dominion Government?

We would not rank the C. N. R. income charge debenture stock as an investment for trust funds. Regularity of interest return is a desideratum in a trustee investment and interest return on this security is a matter of some doubt. The ultimate return will likely be from return of principal only. From a practical point of view it may be taken that this security will be provided for by the Dominion of Canada, but certainty is demanded in trust investments.

The stock ranks after the securities guaranteed by the Dominion of Canada.

FINANCIAL STATEMENTS

Reader, Swift Current.—Please let us know as to whether, in your opinion, it would be good business on our part, or any merchant in Canada for that matter, to publish a financial statement similar to those of our chartered banks. We notice that some merchants in the United States do.

The usual reason for giving publicity to the financial statement of a business corporation is to give information to the shareholders and the investment public in cases where securities are held by a large number of people. You will seldom notice the publication of a statement in the case of a close corporation where the business is owned by a few persons.

There might be an advantage to be gained in the case of a company not having a large number of shareholders or not interested in impressing the investing public, in the effect of showing the small margin of profit and turnover made in giving service to the public. The effect of a published statement on your credit with wholesalers and manufacturers might also be considered.

BUYING FRANCS

Enquirer, Toronto—Would you advise me to buy Francs now? I will be requiring them for later use.

The franc has been tumbling recently. Financial men are hesitant about forecasting the final result of the French occupation of the Ruhr Valley but have very definite fears that it will so far postpone a return to normal conditions in France as to affect French finance. Even among French business men there is a certain amount of mental unrest as a result of the situation and they have been opening balances abroad. Offerings of French securities in London and New York have been abnormal recently.

This is a very bad sign; bad insofar as it forecasts the future of the franc. You will recall that one reason the mark dropped was because German business men had no faith in its future and built up balances abroad—at the expense of American and Canadian speculators in marks, it might be added.

Under the circumstances it would seem to be a very bad time to buy French marks for future use. You might make money by doing so now but the outlook would suggest that the chances are very much in the other direction, viz., that the franc will sink further.

ABITIBI MINES

J. B., Buffalo—I understand that your publication does not accept advertisements for any mining ventures unless thoroughly investigated, both as to the possibilities of the mine and the personnel and intelligence of the management. Understand you have conducted an investigation of the Abitibi Mines, Ltd., and would appreciate the benefit of your judgment regarding these mines, possibilities and especially the character of the men behind it.

The Abitibi Mines, Limited, is developing certain mining claims in the Lightning River gold area in Northern Ontario. D. S. Patterson and Co., brokers, are selling the issue. The company is capitalized at $3,000,000 of which 2,000,000, one dollar shares remain in the treasury. The stock is being marketed here for 55 cents.

The company is in good hands and the enterprise is one in which the speculator is assured of a legitimate effort for the money expended, while the engineering staff is such as to insure that operations will be well handled.

Considerable weight is to be placed in the report of the geologist of the Ontario government, Cyril Knight who examined the area in question and declared that the conditions he found warranted development. We demand reasonable evidence that a legitimate effort is being made to develop a real prospect before accepting advertising.

POPULATION LISTS

Reader, Sault Ste. Marie—Rand McNally in their auto trails map give the population of Sault Ste. Marie as 10,984. The official census of this city is 22,730. If Rand McNally were wrong other agency sources of information are likely to be the same way. What I desire is the names of various agencies throughout the world that issue the population of the various cities so that we can have the city clerk here notify them as to the correct population of the city. Can you help us?

Some of the publications and agencies listing populations of Canadian cities are: J. P. Lippincott and Co., 5 Henrietta Street, Covent Garden, London, publishers of gazetteers; Canadian Newspaper Directory, published by A. McKim and Co., Montreal; Lydiatt's Book, published by Marketing Publishers, Ltd., Toronto; N. W. Ayer and Son, Philadelphia, publishers of the American Newspaper Directory; George Philip and Son, 32 Fleet Street, London, publishers of various atlases; George Newnes, Ltd., Southampton Street, London, publishers of Bartholomew's Atlas; Canadian Almanac, published by Copp, Clark and Co., Toronto; Canadian Municipal Statistics, published by Wood, Gundy and Co., Toronto; Heaton's Annual, Toronto; Canadian Facts Publishing Co., Huron Street, Toronto; Britannica Year Book, published by the Encyclopedia Britannica Company, London and New York; Thomas Nelson and Sons, New York and Toronto, publishers of the Nelson Loose Leaf Encyclopedia, which is up to date but is many years behind on the population of your city; Rand, McNally Co., map publishers, Chicago; Funk and Wagnalls Company, New York, and THE FINANCIAL POST'S annual municipal number published in June of each year.

THE ARCADE, LTD.

Reader, Beamsville—I have an opportunity to purchase a few shares of The Arcade, Ltd. This department store, I believe, is soon to put more stock on the market for working capital, and are now offering the same to their present stock holders. Would this be a good investment?

A statement to hand as of the middle of 1922 shows assets of the Arcade, Limited, Hamilton, $1,831,196, and liabilities $736,246. Lands and building are given a valuation of slightly over $1,000,000; one parcel has a bond issue of $250,000 and the other a mortgage of $215,000. The bonds on the above property were sold in 1920 to help pay for a new building costing over $600,000 and the mortgage on this is only $250,000.

Beginning last November, $5,000 is being paid every six months and after 5 years $10,000 every six months until the issue is taken up.

The Company is said to be admirably managed. It has 3,000 shareholders and has paid dividends for eleven years, last payment 8%, previous to that, for 3 years, 10%. No announcement has been made in regard the sale of stock. Any issue will hardly be for working capital as the company is said to be well fixed in regard thi . There may be an interesting announcement in connection with some subsidiary at the approaching annual meeting.

At $6.50 the return on this issue is slightly over 6 per cent., hardly sufficient for a department store security, though the security in this case is said to be sound. However, new rights or dividend increases might be pending, which were a part of the offer to you.

Two interesting items in the liability column of the statement received are: Deposits from customers, $30,626, and Xmas fund $7,727.

CHANGING BOND ISSUES

Subscriber, Nelson.—I would be glad if you will give me your opinion on the attached list of investments. I, of course, wish to get as great an interest return as is compatible with safety and saleability. I have been thinking that it would probably be well to dispose of my War and Victory bonds and invest in municipal or other securities which will give a greater return. The tax exemption feature would be of little or no value to me. Having in mind the premium at which many of these bonds are now quoted, do you consider this a good time to sell? There would, of course be no use in changing any of these investments unless some worth while advantage would result.

War Bonds 1925, 5% 5.12 $975; War Bonds 1931, 5%, 5.12, $975; Victory Bonds 1933, 5½%, 5.50, $5,000; Victory Bonds 1937, 5½%, 5.50, $1,000; City of Nelson Bonds (cost par) 6.00, $2,000; Point Grey Debentures 1962, (200 pounds) 5.65 $900; Nelson Iron Works Debentures 7%, 7.00 $3,300.

The percentage figures represent the yield and the amount following, the cost.

A "switch" of a portion of your war and Victory loan bonds into excellent municipal issues would increase your income somewhat and in your case would be quite justified. For your 1925 war bond you could get about 100.30, a profit of 2¾ points; for the 1931 war bond you could get about 100.50, a profit of 3 points; for the 1933 Victory loan, you would get about 105.50, a profit of over 5 points and for the 1937 Victory loan bond 107, a profit of 7 points. As you are not interested in the tax-exempt feature it is a luxury to hold them. They would bring you in over $8,100 available for good municipals or provincials.

The City of Nelson bonds and the Nelson Iron Works debentures are, of course, special investments in your case and you would not wish to sell them, nor would there be any distinct advantage. Point Grey debentures are excellent, ranking among the best Western municipal bonds. The long term is also attractive.

Several Mining Issues Reviewed at Request of Inquiring Readers

Reader, Varsity Review—I was recently advised to invest or shall I say speculate in some of the Porcupine Gold mines and would appreciate your opinion on the following mines as a speculation: Teck-Hughes, Consolidated West Dome Lake and Clifton Porcupine.

A.M.M., Toronto—I have been thinking of taking a flier in some of the lower priced gold stocks. Kindly let me have your opinion of the following:

100	Lake Shore	3,09	$309.00
500	Teck Hughes	88	440.00
500	Vipond	67½	337.50
1,000	Newray	25½	255.00
1,000	Clifton	24	240.00
2,000	Mometa	13	260.00
3,000	Kenora	9¾	292.50
Total			$2,134.00

Lake Shore is an excellent mine now earning about $40,000 monthly and handling $20 ore (January average was $19.05 per ton). It has been paying dividends off and on, but cannot be expected to be on a regular dividend basis until it completes its present development program and enlarges its milling capacity. Plans to this end are complete. The shaft has been enlarged as a step in this direction. This year should see the enlargement carried out. In the meantime a great development program has been carried out and a large amount of ore running high in gold content has been blocked out. Plans are about ready to carry the development down to the 800 level while the work on the mill goes ahead.

Generally, mining men look upon the Teck-Hughes acquisition of the Orr properties as a move that should be greatly beneficial to the Company. Teck-Hughes is believed to have got a bargain, inasmuch as it is said that the Orr was practically a proven mine. Certainly it has some rich ore opened up. The details of the merger will be found elsewhere in this issue. Teck-Hughes should prove an interesting speculation. There has been considerable talk of dividends being paid by this mine. In this connection it should be remembered that there is a $324,000 bond indebtedness to be met and this should certainly be faced before any dividends are declared.

The Vipond is reported to be meeting with success in its development on the 600, 733 and 866 levels. They are working in close to the Hollinger boundary, but nothing officially has been announced as to the values that are being encountered. There are many reports about as to the expectations of the Company, but little on the realizations. However, the Vipond is believed to have considerable merit. It has a fair plant and when it gets some ore opened up should not be long getting under way.

Newray is now in the hands of the Coniagas of Cobalt, which just completed dewatering the underground workings so as to make a thorough examination. This action follows a program of diamond drilling which the Coniagas carried out and while no announcement was made as to the results achieved, this latest move is taken to indicate that the drill results were favorable. The shaft on this property is down 400 ft. and it may be carried to lower levels before lateral work is undertaken. The Newray is considered to have merit.

Clifton is a clean-cut speculation. Recently a block of stock was sold at 30 cents. This will provide for development to lower levels and in a short time contracts for this work will be let. Good results have been obtained in the work done to date and it is believed that the property will fall in line with others of Porcupine and show richer ore at depth. Good ore is already opened on the upper levels.

Moneta is a speculation pure and simple. The stock moved up and down on rumors and reports about interests seeking to buy or gain control. This has been going on for some years and anyone playing close on the rumors and knowing when to get in and when to get out, may not have done so badly. So there may have been a reason for the rumors after all. There is a new one on tap right at the present time. Moneta's position is an important factor. It is located at the south-west side of the Hollinger and is direct in line with the trend of the veins.

Keora is a speculation believed by many to have a good chance. There was a plan on foot recently to secure some new funds but it is not believed that they have as yet been crowned with success. A well financed mining effort on the Keora would not be without considerable interest to all Porcupine because of the location of the property.

Consolidated West Dome Lake is carrying on development work on the consolidated property, 296 acres of promising claims in Porcupine in proximity to the Dome Mines. The Dome Lake property produced for four years. The company is said to have a good chance and is said to be in the hands of conservative and efficient mining men.

Where Business Men Foregather

THEY are talking European Politics, and how they affect Canadian Business.

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CURRENT OPINIONS

SUING THE HYDRO

Toronto Star.

The only fault to be found with Mr. H. H. Dewart's bill providing that the Hydro may be sued without a fiat for damages suffered by reason of the negligence of radial railway employes is that the bill does not go far enough.

The necessity of obtaining a fiat to sue the Hydro should not be necessary in either power or railway matters. The Hydro is a business organization. Its principal work is carrying on undertakings for the municipalities. The municipalities can be taken into court without the use of a lot of red tape or the securing of permission to sue. There is no reason why their trustee should be in a more favored position.

The only excuse for requiring a fiat in order to sue the Hydro commission is that the commission represents the government. On the other hand, Sir Adam Beck frequently declares that the Hydro is a municipal commission appointed by the government. This habit of dodging backward and forward from behind cover of a municipal commission and then from behind cover of a government commission becomes confusing at times.

The Hydro should not secure immunity from lawsuits even by electing to be a government commission, pure and simple. The legislature within its constitutional limits must be above the courts because it is the fountain head. But commissions acting for the government should not be enabled to sidestep citizens seeking justice in the courts of the land.

NO LABOR PROBLEM?

Industrial Digest

Complaints about the labor shortage are increasing in number and vigor, especially in the building construction and steel industries. The builders complain of the lack of skilled mechanics and common laborers, and blame the labor unions and immigration ban. The steel men say they need more men with strong backs, and insist that the restrictions on immigration be lifted or liberally revised.

A general contractor named Harry Morrison, of Boise, Idaho, lets off a little steam on the subject of the labor shortage in the American Contractor:

"How can there be any labor problem when there are no laborers?" he asks. "Men are harder to get, and to keep, than they were during war times, and it was no picnic then.

"It makes no difference what you pay," continues Mr. Morrison. "You can get men at three dollars a day, or you can pay them five dollars; many offer bonuses which the chap who is willing to turn out an ordinary day's work can take advantage of; or may give an ambitious man a chance to earn better than wages at piece work. But it is all the same. They stay with you until they get just about so much money ahead, then they leave without any warning. The trouble is that they absolutely decline to stick to any job for a reasonable length of time. And conditions are not improving even now, with the farm hands being laid off for the winter."

The interviewer asked Mr. Morrison for his opinion of the future.

"Conditions in the future will be a blamed sight worse as far as I can see," Mr. Morrison replied. "When the present generation has gone, there won't be any labor."

DIRTY WESTERN CROPS

The Kingston Standard

THE FINANCIAL POST draws attention to a subject which should be most seriously considered in view of the effects which it is having on the western crops. It points out that: "Reports from the elevators indicate that the 1922 crop of Western Canada, the greatest in the history of the country, is also the dirtiest. It is conservatively estimated that the farmers will pay the railroads over $5,000,000 for the transportation of weed seeds and other comparatively useless products."

That is a serious statement, and there are many ways in which it can be regarded. In the first place why did the farmers allow all these weeds to grow, and thus spoil their yields of grain, while probably allowing some seeds to remain to produce further crops? Then there is the probability that some of the grain with those weed seeds in may be shipped to farmers who will use it for seed, and thus spread the weeds farther and farther. Again there is the waste incurred in shipping all this waste which THE FINANCIAL POST works out as requiring 100 trains to haul from farm to market.

It can, however, be said that Western farmers are not alone blameable in this matter, as even people the least acquainted with farming must have noticed when seeing from the train windows the masses of mustard and other weeds growing in the grain. But it is a very difficult matter for farmers to handle, especially in these days when farm produce has dropped in value, and when labor is so expensive. But it emphasizes one fact, that farmers before they sow seed should be careful to heed that there are as few weed seeds in it as can be possibly prevented. We do not pretend to be experts on farming, but in the course of our varied reading and observations we have seen expert advice given as to how to get rid of weeds by spraying and so on—but this we will leave to those most interested to study.

TWO KINDS OF CO-OPERATION

Barron's Weekly

In 1922 political co-operation helped the American farmer to get from 3 to 11 cents a bushel more for his wheat than business co-operation could aid the Canadian grower to obtain. The Canadian grower can stand it on the face of results. His wheat exports increased enormously. Ours fell away 114,000,000 bushels. Our farm bloc farmers felt they could not sell at world prices. For that feeling the domestic consumer pays, as must also the farmer, sometime.

At $1.13 a bushel Canada exported 150,922,884 bushels of wheat in seven months of 1922. Our exports then were 139,381,968 bushels at $1.21. Canada exported 55,000,000 bushels at $1.12 in November; we, 10,000,000 bushels at $1.23.

In the seven months there was distributed among Canadian farmers $9,000,000 more cash than among American producers. The Canadian November cash distribution from wheat exports exceeded our own by $50,000,000. Since the Capper-Tincher law was resuscitated our total wheat exports have fallen short of Canadian October-November exports alone.

Canada did indeed have a bumper 1922 crop. But somebody is paying for the kind of co-operation which completely ignored that fact. Our Canadian rivals have no free brokerage, no war finance corporation, no pending Capper or Lenroot bank bill, no land bank system, no senatorial bloc, and no more grain board.

They have business co-operation in Canada. In October-November the members of the farmer's grain companies felt they could stand the world price for 93,000,000 bushels of wheat. At that very time intelligent and fearless leadership renounced political bloc system, and told the growers they were inseparable parts of one commonwealth, and must live or perish with it.

New Year ushered in a wheat "mystery." Cash wheat broke from 5 to 10 cents. Is there not to be another bank rescue in the spring of 1923? In the best months of the autumn and spring 1921-22 export movement, the gap between our exports and prices steadily widened. In April, 1922, exports after continuous declines dwindled to 4,000,000 bushels; the price had mounted to a visionary $1.39.

Our wheat prices have more political power behind them than a year ago. They have the promise, almost realized, of a Lenroot or Capper brand-new banking system. They have widened a new breach between export tonnage and an out-of-line political price.

If there is to be another bank rescue of the farmer and his creditors this spring, is he better or worse off than his Canadian competitor, for whom no such deliverance impends or is needed? In time our farmer will answer that question. It will take time. He has leaders, but they lead only to that form of co-operation which yields high prices, heavy debts and small cash returns, —this year $226,000,000 less than last.

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Greater Winnipeg Water District

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Legal Opinion: E. G. Long, K.C.

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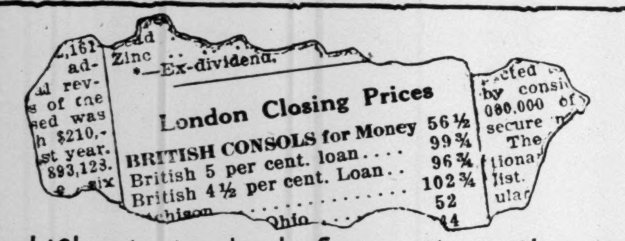

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NEWS AND VIEWS ABOUT BONDS

WILLS SHOULDN'T BIND EXECUTORS' HANDS TOO TIGHT

How One Estate Lost Income by a Clause in Will

Since long before Jarndyce vs. Jarndyce wills have been a source of irritation and inconvenience; at least wills that have been drawn carelessly or without due thought for the unfortunate consequences that might be lurking in them. When trust companies are appointed as executors for estates and the wills are drawn up with the co-operation of the trust company as well as the family lawyer these difficulties arise out of wills not only in determining the real wishes of the testator but in investing the money left to carry out those wishes.

A will now being administered by a Canadian trust company illustrates this point. About $20,000 was left by a man who directed that the company should be invested to return $1,000 a year for life to two sisters, then about 35 years of age. On the surface the problem looks easy enough. Bonds and mortgages alike return well over 5 per cent. and that is all that is required to make $20,000 yield $1,000 or more. But the trust company had to consider that this income must be provided for life—and this may mean 40 years or more. The money could have been put in mortgages to yield $1,250 a year or more at the present time, but the life of the mortgages would be only five years. In the course of time the mortgages might eventually have to be renewed at under 5 per cent. in which case the ability of the trust company to carry out the wishes of the testator would have been endangered. Had the trust company been allowed to use its discretion in investing the sum it undoubtedly would have invested it in mortgages but considering the unique clause in the will it played safe and bought thirty-five and forty year bonds at a price to yield around 5 per cent.

The beneficiaries are suffering a loss of income now in order that the certainty of carrying out the terms of the will many years from now may be established.

Don't Be Too Specific

The lesson to be learned is, of course, that in drawing up a will an individual should not tie down the executors to terms that may be a hindrance. The executors should be allowed to use some discretion.

An example of how this latitude of discretion has worked might be given. At the outset it may as well be admitted that the choice of example is none too happy, if the impression be given that speculation with trust funds is justifiable.

A business man died ten years ago leaving about $300,000. He allowed the trust company, appointed as executors of the will, full power to invest the money as they thought fit making only one suggestion, that if they desired to increase his holdings of Imperial Oil stock they might do so even though Imperial Oil stock were not in the trustee class. The trust company did invest part of the estate in further shares of Imperial Oil, although it would not have done so had the stock not been mentioned in the will, and as a result the value of the estate has increased from $300,000 to over a million. There was no speculating on margin in the stock; merely the purchase outright of further shares.

Experience has shown that in drawing up a will and appointing a trust company as executor, it is well to give the officers wide discretionary powers in the choice and handling of investments.

UNLISTED BONDS

	Bid	Asked
Abitibi Gen Mtge. 6's 1940	94½	95¼
Algoma Steel 5's 1962	..	35
Amer. Sales Book 6's 1927	97½	..
Ash. Hardware 5 p.c. 1928	89	..
Brompton P. & P. 8% 1941	104½	106¼
Can. Mach. 6's, 1940	75	80½
Canada Salt 7's 1941	100	102
Wm. Davies 6's 1926	104	..
Dom. Iron Steel 5's 1939 ..	80½	81½
Dunlop Tire 6's 1927	96½	..
Dom. Sewer Pipe 6's 1927	91	..
Dom. Mfg. 6's 1933	82	87
Eastern Car 6's 1952	92	95
Gord. Iron & Fare 6's 1927	..	45
Harris Abattoir 6's 1928 ..	98¼	..
H. Smith Paper 7% 1941 ..	..	99
King Edward Hotel 7's 1933	83	84¾
K. & S. Tire 7's 1935	75	82
L. Superior Paper 6's 1941	102	..
Marcus Loew's 8% Notes	..	99
Mattagami Pulp 6's 1937 ..	60	..
Mattagami Pulp 7% Deb...	28	31
Morrow Screw 6's 1931 ..	88	..
M. Royal 8% Deb. 30% c.	88	91
Man. Power 7's 1941	96¼	100
Neilson's Wm. 6's 1933 ..	96	..
N. S. Steel 6% Deb.	89	92
Spanish River 8's 1941 ..	105	107
Stan. Clay Pro. 6% 1942 ..	..	87¾
Western Power 5's 1949 ..	81	84
Whalen Pulp 7% Deb. 1932	57¾	61½

$9,026,600 Bond Issue St. Maurice Power Co.

From Our Own Correspondent.

MONTREAL.—One of the largest public utility issues in years was offered this week in the form of $9,026,600 of first mortgage 30 year 6½ per cent. sinking fund gold bonds of the St. Maurice Power Co. It is understood that between $5,000,000 and $6,000,000 of this amount was offered in the United States and the balance in Canada. Another feature of the offering was that simultaneously with the issue coming out in New York and Montreal. there was offered in London £200,000 of 6½ per cent. registered sterling debenture stock maturing in 1953, issued under the same mortgage as that applying to the dollar bonds and ranking equally with them. This step was taken by J. E. Aldred, head of Aldred & Co., who is now in London, in recognition of the view that the time has come when British capital is available for Canada.

The syndicate consists of Aldred & Co., A. E. Ames & Co., L. G. Beaubien & Co., R. A. Daly & Co., Hanson Bros., Rene T. Leclerc, Inc., and Nesbitt, Thomson & Co.

DULUTH-SUPERIOR

Gross passenger earnings of the Duluth-Superior Traction Company for the month of January totalled $163,420 as compared with $147,546 for the corresponding period in the previous year, an increase of $15,874 or 10.8 per cent.

Charles Walmsley & Co. in $1,000,000 Issue

From Our Own Correspondent.

MONTREAL.—An aftermath of the announcement of the establishment in Canada of a branch of the house of Charles Walmsley & Co., of England, for the manufacture of paper machinery and other products, comes in an issue of $1,000,000 of first mortgage bonds. These will mature in twenty years' time and bear interest at six per cent. It is understood the issue has been purchased by a syndicate composed of Newman, Sweezey & Co., Dominion Securities Corporation, and McLeod, Young, Weir & Co., and a public offering will shortly be made. These bonds are secured by a first mortgage on the company's plant at Longueuil, Que., formerly the property of Armstrong, Whitworth Co. of Canada. A feature of this issue is the unconditional guarantee as to principal and interest given by one of the largest engineering and shipbuilding corporations in the British Empire, the Sir W. G. Armstrong Whitworth Co.

Few Canadian Issues Left on London Market

London, England, market is practically bare of Canadian securities. While many issues of Canadian provinces, municipalities and railways are quoted there, the figures are in a number of cases nominal, for the bonds have been largely bought up and returned to Canada.

In What Phase of the Cycle of Investment Are We Now?

What happens in the typical financial cycle? We are now in the midst of a cycle. In fact as economic cycles are always in the process of working themselves out we are always in the midst of one, but just now we are in an interesting economic stage. Since the end of the war we have moved almost through a complete financial cycle.

A financial cycle is like a scenic railway at an amusement park. It goes around in a circle, touches at plenty of interesting places but always comes back to the place where it starts from. Assuming the starting place to be the spot where we started from at the end of the war a few of the stations en route, taken in order might be labelled: extravagance, jazz, order-taking, big dividends, high wages, high bonds, tight money, falling prices, unemployment, business failures, thrift, buying power, rising prices, prosperity—and "all change."

History of One Cycle

That is putting it in easily understood language. The war may be blamed for many of the conditions mentioned but wars and similar calamities only affect the time it takes to work out movements in a cycle or the lengths to which a movement may go. They do not affect the general order.

Going into a cycle in greater detail we find that it pursues a course something like this:

Extravagance is the order of the day. This was the case for a year and a half after the war. Everybody is prosperous and business is booming. Luxuries especially are selling well. There is a tremendous demand for automobiles, diamond rings, sealskin coats, phonographs, theatres, etc. Manufacturers and distributors carry heavy stocks or at least try to. But goods sell more quickly than they can buy them and they pay fancy prices to get deliveries of goods. It is the day of the order-taker, not of the salesman, although the order-taker draws about ten times the salary that would be paid to the star salesmen in "hard times." Nobody is failing and the credit man—except in wise concerns—is put into the production department. The banks have lots of money and they don't ask very high rates. Wages are high—though most people are not saving much for a rainy day—and there are more jobs than people to fill them. Bonds and stocks go up and money rates are down. This description sounds familiar. People still remember the times of two or three years ago.

Signs of a Storm

Then straggling storm clouds appear on the horizon and the wise investment and business mariners look for the nearest harbor. Credits contract; incidentally a howl goes up from people who say the banks are going to ruin the country. But contracting credit does not bring about a collapse. It is merely a barometer that tells that collapse is near. Money rates increase. Everybody has been borrowing and the demand has overtaken the supply. Loans are called and as a result people begin to realize upon their securities and upon the stocks of goods they have on hand. Bonds, stocks, commodities and everything else begins to slide. Wages are cut; unemployment is seen and luxuries drop out. We hear a lot about cancelled orders, business failures and factories working on half-time schedules. It takes less money to handle such restricted operations and rates start towards lower levels. People begin to save and to economize. Bonds have been decreasing in value and yields increase. At the peak of this movement in 1920 bonds were at the lowest levels on record in Canada. But money begins to accumulate in the hands of the people and this means increased buying power and factories begin to re-open. Men are taken on and wages will show some increase. Money rates are low now. Conditions are much improved. The best bonds begin to rise followed by other bonds and by stocks, forecasting a return of general prosperity. The increased purchasing power leads to higher prices for goods and soon we have reached the end of the cycle, for inflation comes and increased money rates that put us back where we started. At the present time we are in the midst of the final half of the swing around the circle. But we are far from the next period of inflation—except it be a minor movement.

From the standpoint of the investor it is of note that we have not yet reached any of the signs that forecast definitely declining bond or stock prices.

BOND MOVEMENTS OF THE WEEK

Week Ending February 6

BONDS—	Int. Rate	Due Year	Yield	Range High	1922 Low	Range 1923 High	Low	Ask	Bid	High	Low
Bell Telephone	5	1925	5.45	98	94	99	97¾	99½	98¾	98⅞	98¾
Canada Bread	6	1941	6.22	99	88½	97½	96	97½	97¼	97½	97
Canada Cement	6	1929	5.90	100½	94	101	100	100½	—	100⅝	100½
Can. Locomotive	6	1951	6.14	100¼	87	98	96½	98½	97⅝	98	—
Ced. Rapids	5	*1953	5.26	97½	93	96½	95¼	—	96	96	95¼
Dominion Iron	5	1929	6.10	94	82½	93¾	92¾	94	93	93¾	—
Ogilvie (C)	6	1932	5.67	102½	100	102½	102½	102½	—	102½	—
Quebec Rly	5	1939	7.76	87¼	63½	74	69	—	71½	74	—
Rio	5	1935	6.66	87¾	76	86½	85½	—	85¾	85¾	85½
Sher. Williams	6	1941	6.00	100	96	100	100	—	99	100	—
Wayagamack	6	1951	7.42	88¾	71¾	83	82¼	—	81	83	—
Winnipeg Elec.	5	1935	5.87	92	88¾	94½	92	—	91	92	—
War Loan	5	1925	4.85	96.30	96.10	100.50	99.10	—	100.00	100.40	100.30
Do.	5½	1933	4.78	104.35	96.25	100.75	99.80	—	100.60	100.75	100.40
Do.	5	1937	4.79	101.50	99.50	102.05	101.25	102.40	102.20	102.05	101.50
Victory Loan	5½	1923	4.72	100.70	98.75	100.95	100.40	101.00	100.75	100.90	100.55
Do.	5½	1924	5.08	100.75	98.00	101.40	100.25	101.00	100.80	101.00	100.70
Do.,	5½	1927	4.95	102.70	99.75	102.80	101.75	102.70	102.40	102.80	102.50
Do.,	5	1931	4.92	99.90	101.25	106.70	104.40	—	105.90	106.10	105.50
Do.	5½	1934	5.12	101.45	98.80	103.45	101.30	—	103.40	103.45	102.80
Do.	5½	1937	4.82	106.25	103.00	107.30	106.50	—	107.20	107.30	107.00
Do., Ren.	5½	1927	4.98	101.10	99.40	102.60	101.00	102.50	—	102.50	102.00
Do., Ren.	5½	1932	5.13	101.10	99.70	102.60	101.00	103.15	102.85	102.50	102.30

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
Feb. 1	Kingston, Ont.	R. A. Daly & Co.	5½%	20-yrs.	$175,000	102.38	5.31
Feb. 3	Regina, Sask.	Wood, Gundy & Co.	5½%	21 & 26-yrs.	841,000	95.35	5.78
Feb. 5	London, Ont.	Wood, Gundy & Co.	5 %	1-yr.	673,000	99.81	5.20
Feb. 6	Oakville, Ont.	W. C. Brent & Co.	5½%	10, 20, 30 in.	127,400	100.38	5.45
Feb. 3	Kitchener, Ont.	Dominion Bank	5½% & 6	20 & 30	516,400	103.02	5.40
Feb. 5	Waterloo, Ont.	McLeod, Young, Weir & Co.	5½%	30-in.	150,000	101.01	5.41
Feb. 5	Brockville, Ont.	A. E. Ames & Co.	5½%	10-in.	134,645	100.19	5.45
Feb. 5	Hamilton, Ont.	A. E. Ames & Co.	5½%	20-in.	250,000	101.63	5.30
Feb. 3	Lachine, P. Q., Schools	Royal Securities Corp.	5½%	10-yrs.	225,000		
Feb. 3	Vancouver Sewerage Bd., B.C.	Ferris & Hardgrove	5 %	40-yrs.	725.000	93.975	5.35
Feb. 1	Drumheller, Alta.	W. R. Alger & Co.			24,000		
		CORPORATION					
Feb. 7	St. Maurice Power	Aldred & Co. and Syndicate	6½%	30-yrs.	9,026.600		
Feb. 7	St. Maurice Power	Aldred & Co. (British Issue)	6½%	30-yrs.	973,400	*	
Feb. 7	Chas. Walmsley & Co.	Newman, Sweezey and Syndicate	6 %	20-yrs.	1,000,000		
Feb. 7	Price Brothers	Harris, Forbes, & Co.	6 %	20-yrs.	10,000,000		

*Sold in Britain.

Wm. Davies Co., Inc.

6% First Mortgage Bonds

Due 1st November, 1942
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RAILWAY EARNINGS

The Canadian Pacific reports gross earnings for the ten-day period ending with January amounting to $4,239,000, as compared with $3,502,000 for the corresponding period in 1922, an increase of $737,000 or 20.5 per cent.

Earnings of the Grand Trunk Railway for the last period in January amounted to $2,991,143, an increase of $503,403 or 20.2 per cent.

Gross earnings of the Canadian National Railways for the period ending January 31, totalled $2,916,314, an increase of $355,568 or 13.8 per cent.

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St. Maurice Power Co., Ltd.
6½% First Mortgage Bonds
Due Feb. 1, 1953. Payable in Canada and New York

An attractive investment for the man seeking ample security with high interest yield.
The Company is developing 120,000 Electrical h.p., which, under contract, will be sold to the Shawinigan Water & Power Co., at a price sufficient to provide for operating and maintenance expenses and interest and sinking fund of these bonds.
Circular describing the issue in detail is ready for mailing. May we address one to you? A postcard or telephone request will bring it to you.

HANSON BROS.
160 St James St. MONTREAL — INVESTMENT SECURITIES — 63 Sparks St. OTTAWA

Bond Man Not Hopeful On British Borrowings

James A. Gairdner, head of the Toronto bond house of Gairdner, Clarke & Co., is back in Canada after a flying trip to London, England. Mr. Gairdner sounded out investment conditions in Britain but is a little less optimistic about early resumption of Canadian borrowing in Britain, than most Canadian financial men who have sized up the London market of late. Government and municipal bonds will stand but little exchange discount and therefore there will be little selling of such bonds in London until sterling is nearer par," thinks Mr. Gairdner. He would not expect to see Canadian borrowing in London unless there were a co-incidence of three circumstances, namely: a dull bond market in Canada; a strong market in England, and the pound $4.80. We need a very aggressive immigration policy. It is evident that labor influences are strong in preventing vigorous action in immigration.

NEW ISSUE

$9,026,600

ST. MAURICE POWER CO.
LIMITED

First Mortgage 30-Year 6½% Sinking Fund Gold Bonds

Dated February 1st, 1923. Due February 1st, 1953

Principal and semi-annual interest (February 1st and August 1st) payable at the Royal Bank of Canada, Montreal, Toronto, or at the Bank of Manhattan Company in New York City. Denominations $1,000, $500 and $100, registerable as to principal only. Redeemable in whole or in part on any interest date on 60 days' notice at $110 and interest up to February 1st, 1928; at 107½ during the next eleven years; 105 during the next four years; at 102½ during the next five years, and at 101 thereafter until maturity.

Trustee: The Montreal Trust Company Limited, Montreal

CAPITALIZATION

	Authorized	To be presently Issued
Common Shares (all one class par $100)	$ 8,000,000	$7,200,000
6½% 30-year First Mortgage Bonds (this issue)	12,000,000	9,026,600
6½% Sterling Debenture Stock		£ 200,000

(The Shawinigan Water and Power Company owns the majority of the Common Shares issued)

From information supplied by Mr. Julian C. Smith, President, we summarize as follows:—

Business and Property—The St. Maurice Power Company, Limited is developing water powers on the St. Maurice River having an initial installation of 120,000 H.P., and an ultimate capacity of 150,000 H.P.

Security—Bonds are secured by a First Mortgage on all the Company's property now owned or hereafter acquired from the proceeds of this issue.

Earnings—The power will be sold to the Shawinigan Water and Power Company who have entered into a contract for a period of forty years from the first date of delivery, agreeing during that period to take the power available from the proposed development at prices which will yield to the Company sufficient net income to meet all operating and maintenance expenses, first mortgage bond interest and sinking fund requirements. When the installed capacity of the hydro-electric plant amounting to 120,000 H.P. is absorbed, as provided in the contract, it is estimated that the net earnings, after payment of all fixed and other charges, will be more than twice the interest on these bonds.

Detailed prospectus describing the bonds may be obtained on application to any of the undersigned.

We offer these bonds when, as, and if issued and received by us at
Price: 99½ and accrued interest, to yield over 6½%

ALDRED & CO. Limited
A. E. AMES & CO. — L. G. BEAUBIEN & CO. Limited
R. A. DALY & CO. — HANSON BROS.
RENE-T. LECLERC, Inc. — NESBITT, THOMSON & CO. Limited

The statements in this circular are not guaranteed, but are based on information which we believe reliable, and on which we acted in purchasing these securities.

CIVIC AND PROVINCIAL FINANCE

MUNICIPAL BOND ISSUES SELL AT EXCELLENT LEVEL

Many Bonds Put Out During Past Week Record Shows

Many municipalities have been taking advantage of present briskness in the bond market to dispose of issues, that in some cases have been held back for two or three years. Excellent prices are being obtained bv the towns and cities.

Regina has sold two blocks of bonds to Wood, Gundy and Co. An issue of $263,000 of 5½ per cent. bonds due 1949 and $578,000 of 5½ per cent. bonds due 1944 were sold at 95.35, a cost basis of 5.78 per cent. Bids were:

Wood, Gundy & Co.	95.36
A Jarvis & Co.	94.57
A. E. Ames & Co. 5% bonds	87.09
5½% bonds	93.41

London and Oakville

London, which recently sold $500,000 of bonds to Gairdner, Clarke and Co., disposed of an additional $673,000 of one year 5 per cent. notes at 99.81, a 5.20 per cent. basis. Wood, Gundy and Co. were the purchasers.

William C. Brent and Co. were the buyers of a block of $127,400 of 5½ per cent. bonds of the town of Oakville, repayable in 10, 20 and 30 instalments. The price paid was 100.38 representing a cost to the town of 5.45 per cent. for the funds. Bids were:

W. C. Brent & Co.	100.38
Gairdner, Clarke & Co.	99.73
Wood, Gundy & Co.	99.65
McLeod, Young, Weir & Co.	99.44
A. E. Ames & Co.	99.39
Municipal Bankers Corp.	99.35
Murray & Co.	99.28
MacNeill, Grahame & Co.	99.27
C. N. Burgess & Co.	99.21
A. D. Morrow & Co.	98.81
Dominion Securities Corp.	97.20
Gairdner, Clarke & Co. and Nesbitt, Thomson & Co.	101.51
A. Jarvis & Co.	101.16

Kitchener and Waterloo

Kitchener, Ont., sold an issue of $516,400 of 5½ and 6 per cent. bonds repayable in 20 and 30 instalments to the Dominion Bank at 103.02 equivalent to a 5.40 per cent. basis. The tenders included:

Dominion Bank	103.02
Wm. C. Brent & Co.	102.88
Dyment, Anderson & Co.	102.50
Murray & Co.	102.32
Macneill, Grahame & Co., and C. N. Burgess & Co.	102.27
R. C. Matthews & Co.	102.17
A. E. Ames & Co.	101.98
Dominion Securities Corp.	101.85
Wood, Gundy & Co.	101.58

Waterloo, Ont., sold to McLeod, Young, Weir and Co. $150,000 of 5½ per cent. 30 instalment bonds at 101.01 a cost basis of 5.41 per cent. Tenders:

McLeod, Young, Weir & Co.	101.01
Mackay & Mackay	100.60
A. E. Ames & Co.	100.46
Wood, Gundy & Co.	100.41
United Financial Corp.	100.38
Gairdner, Clarke & Co.	100.31
Dyment, Anderson & Co.	100.22
R. C. Matthews & Co.	100.111
C. N. Burgess & Co.	100.11
R. A. Daly & Co.	99.84
Municipal Bankers Corp.	99.659
Harris, Forbes & Co.	99.29

Brockville, Hamilton and Lachine

A. E. Ames and Co. bought from the town of Brockville, Ont., $134,645 of 5½ per cent. 10 instalment debentures. The price paid was 100.19 a cost basis of about 5.45 per cent. Tenders received were:

A. E. Ames & Co.	100.19
Kerr, Fleming & Co.	100.16
Aemilius Jarvis & Co.	100.11
Wood, Gundy & Co.	99.786
Murray & Co.	99.78
Dominion Securities Corp.	99.63
R. C. Matthews & Co.	99.62
R. A. Daly & Co.	99.57
C. N. Burgess & Co.	99.513
Macneill, Graham & Co.	99.51
Dyment, Anderson & Co.	99.48
W. C. Brent & Co.	133.939
Gairdner, Clarke & Co.	99.45
Mackay & Mackay	99.435
A. D. Morrow & Co.	98.92
Nesbitt, Thomson & Co.	98.14

Hamilton city issued $250,000 of bonds for hydro-electric purposes, selling them on the basis of 5½ per cent. 20 instalments to A. E. Ames & Co. at a price of 101.63 equivalent to a 5.30 per cent. basis. Bids were:

A. E. Ames & Co.	101.63
Dominion Securities Corp.	101.38
Macneill, Grahame & Co.	101.37
Dyment, Anderson & Co.	101.31
W. C. Brent & Co.	101.28
National City Co.	101.27
R. C. Matthews & Co.	101.21
F. N. Deacon & Co.	101.10
Nesbitt, Thomson & Co.	101.03
McLeod, Young, Weir & Co.	100.91
Aird, McLeod & Co.	100.82
C. N. Burgess & Co.	100.26
Gairdner, Clarge & Co.	100.51
Municipal Bankers Corp.	100.45
Wood, Gundy & Co.	100.35
United Financial Corp.	100.33

The Protestant Board of School Trustees for the city and parish of Lachine, which includes the towns of Lasalle and Dorval, has sold to Royal Securities Corporation an issue of $225,000 5½ per cent. ten year bonds. These bonds are dated December 1, 1922, and mature December 1, 1932. The four municipalities mentioned are united for Protestant school purposes and the present bond issue has been made to provide funds for the erection of a new school that is required through the increasing population in the district.

Edmonton Goes After Factories to Take Land

From Our Own Correspondent.

EDMONTON.—A move is to be made to invite the attention of industrial concerns to this city as a desirable location for works and branches of various kinds. The matter was before the city council a short time ago, and a campaign is likely to be put on, in at least a quiet way, during the coming spring and summer. One of the ideas behind this move is that the city may thus find a market for some of the land it now has on its lists, a considerable area of which has been taken over in tax sales. Some of this land is admirably suited to factory purposes. The city council has established a land department to handle property of this kind, along with all other lands owned by the municipality.

Vancouver Sewerage Bonds To Meet Notes

From Our Own Correspondent.

VANCOUVER.—Greater Vancouver joint sewerage and drainage board sold $725,000 of forty year 5 per cent. bonds to the British American Bond Corporation at 93.975. The money is required to meet note payments. Bids were:

Ferris, Hardgrove & Syndicate	91.67
Royal Financial Corp	91.889
for $300,000	92.912
Waghorn, Gwynne & Co.; C. N. Burgess & Co., and MacNeill, Grahame & Co.	92.637
Seattle National Band & Syndicate	91.634
R. P. Clark & Co., R. A. Daly & Co., and W. A. Mackenzie & Co.	92.135
A. E. Ames & Co.	90.69
First Nat. Bank, Seattle	88.795
A. Jarvis & Co.	91.625
Wood, Gundy & Co. and Pemberton & Sons	92.16

Alberta Cutting Doles To Avoid Tax Jump

From Our Own Correspondent.

EDMONTON.—Much as additional revenue is desired by the Alberta government, nothing is to be done by the legislature now in session to increase taxation. That, at any rate, is the announced intention of the government itself, Premier Greenfield having stated that so far as any changes in the taxing legislation are concerned they will be confined to certain amendments having the general effect of simplifying the present methods of collection. It is the feeling of the premier and his cabinet that the people already have as heavy a burden of taxation as they can carry, and nothing will be added to it.

While it is not proposed either to increase or reduce the taxes the government has it in mind to reduce quite substantially on the relief to be given out during the coming year, and a thorough ventilation of this point will be one of the main features of the present session. The policy of the government is to cut to the bone on all lines of relief, including seed grain and the Southern Alberta drought scheme, but the demands for continued assistance are still insistent.

BANKS HAVE BEEN PURCHASING LARGE NUMBERS OF BONDS

From Now On Tendency Will Likely Be to Liquidate

Canadian banks have been heavy buyers during the past two years of government and municipal bonds. Liquidation throughout the country has released considerable sums. The banks have been able to forecast the trend in interest rates and the likely demands for capital at different periods of the year. When they have had funds that they have not required for some time they have purchased government or provincial, and to some extent municipal bonds. Usually these have been short term issues maturing about the time the banks have expected to need the money represented. Often it has been possible to purchase these short term bonds to return a very substantial yield.

Holdings of Dominion and provincial bonds increased from $122,000,000 at the beginning of 1921 to $220,000,000 in April, 1922, when the high point was reached. This was an increase of about $100,000,000. The peak was followed by a sudden decline of about $30,000,000 during May of last year. Unfortunately these figures cannot serve as an accurate guide of the bank purchases of bonds as they include holdings of treasury notes of the Dominion government. Most of the loans of the Dominion government from the banks are in the form of short term notes which provide a very effective way of concealing the government's loans from the banks. Probably the reason for the sudden drop from April to May of last year was the flotation in New York of a $100,000,000 Dominion loan, proceeds of which were used, in part, to pay off loans from banks by the Dominion government.

Holdings of Municipal Bonds

Bank holdings of municipal, British and foreign bonds are lumped together in the bank statement and have showed a downward trend with regularity from the beginning of 1921 when they stood at $193,000,000 to $79,000,000 in April of 1922. This steady decline was due to the repayment by the British government of loans made during the war for munitions purchases. But from April to September of last year the bank holdings of such bonds increased, evidently signifying purchases of municipal bonds in Canada.

Comparison of the figures indicates that the banks hold now much larger quantities of provincial and municipal bonds than ordinarily and while many of these are short term issues that will be paid in cash at maturity there is no doubt that many bonds held by the banks will be thrown on the market when funds are needed. There was some liquidation of this kind at the turn of the year that unsettled the bond market somewhat. But it would have to be a very sudden increase in volume of business of the country that would bring about a more rapid selling of these bonds than the bond market could meet with firmness.

Ontario Hydro to Raise Money for Betterments

The Toronto city council passed a by-law to deposit $600,000 of Toronto debentures with the Ontario Hydro-Electric Commission. The power commission will issue its own securities against the bonds to cover the cost of betterments on radial lines around Toronto.

Montreal Sells Half of Its $16,000,000 of Bonds

After rejecting tenders received last week for its $16,000,000 of 5 per cent. bonds, due 1954, Montreal was offered a better price this week and sold $8,000,000 of the issue at 95, New York funds, a cost basis of about 5.33 per cent. or less when converted into Canadian funds. One month's option was granted upon the remainder of this issue, bringing the total to $16,000,000. The purchasing syndicate consisted of Harris, Forbes & Co., National City Co., Guaranty Co. of New York, Dillon, Read & Co., Bankers Trust Co., Wood, Gundy & Co., A. E. Ames & Co., Dominion Securities Corp., Ltd., and the Continental and Commercial Trust & Savings Bank.

Tenders and By-Laws

TENDERS WANTED

Feb. 19, Trail.—$11,980, 6%, 20-year local improvements debentures. Wm. E. B. Monypenny, City Clerk. (See announcement elsewhere in this issue.)

Feb. 15, Quebec City.—$1,800,000, 5% 10, 15, and 30 year bonds.

Feb. 26, Regina.—$12,000, 6%, 10-year school debentures. J. H. Cunningham, Secretary.

Feb. 9, Ford City.—$306,572, 5½% & 6%. 10 15 and 20-year debentures. J. F. Foster, Treasurer.

Feb. 19, St. Lambert.—$350,000, 5½%, 30-year bonds. James R. Beatty, Sec.-Treas.

Feb. 20, Hull, Que.—$100,000, 5½%, debentures. Jos. Provost, Sec.-Treas., Hotel de Ville St., Hull. (See announcement elsewhere in this issue.)

BY-LAWS TO BE VOTED ON

Feb. 10, Richmond Hill.—$100,000 for erection of new school.

DEBENTURE NOTES

Midland.—The ratepayers will be asked early in March to vote on a by-law to provide $20,000 for the extension of the fire hall and the installation of a more modern fire alarm system.

We Offer
DOMINION STORES, LIMITED
8% Cumulative Class "A" Preferred Shares.
Price: 100.00, Carrying a 25% Bonus of Common Stock.
This Company is the largest retail distributor of groceries in Canada, operating 190 stores. Plans call for over 50 new stores in 1923.
Sales in 1922 increased over 47 per cent. and earnings over 72 per cent.
Dividends paid regularly on preferred shares, and common now paying $1.00 per year.
Chain stores have proven an exceptionally profitable investment, and we strongly recommend these securities.
A special circular we have prepared will be mailed upon request.

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EST'D. 1888 LIMITED
36-38 King East Toronto

8% plus additional profits

OVER 200% dividends on Common Stock in ten years! On Common Stock that was originally given as a bonus!

This is the record of hotels under the management of the United Hotels Company of America.

The same organization, the largest of its kind in the world, considers THE MOUNT ROYAL HOTEL, MONTREAL, will be one of the most profitable in the entire system (19 hotels).

The 8% convertible debentures also carry a bonus of 20% in Common Stock. This bonus was reduced from 30% on February 1st, and a further substantial reduction is to go into effect shortly.

Denominations: $100, $500 and $1,000.
Partial Payment Plan, if desired.
Interest payable in New York and Montreal.

PRICE: Par and accrued interest to yield 8% with a bonus of 20% in Common Stock.

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WINTER CRUISES

The Grand Trunk Railway System offers attractive facilities for winter cruises to the West Indies and Mediterranean. Winter tourist fares are also in effect to Atlantic City—Virginia—South Carolina—Georgia—Florida—Cuba—New Orleans—California—Portland, Ore.—Seattle—Victoria and Vancouver.

For all information as to routes, fares, etc., apply to any Grand Trunk Agent or C. E. Horning, D.P.A., Toronto, Ont.

BRITISH COLONIAL FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Leading Life Company of the Dominion
Assurance in Force - $550,000,000
Assets - - - - $130,000,000
Sun Life Assurance Company of Canada
Head Office - - Montreal

LIFE INSURANCE FOR MEN OF AFFAIRS
Estates of any considerable value are subject to heavy death duties: Life insurance is the simplest method of providing for their payment. Have you set aside a policy to meet succession dues?
Business partners whose experience is vital to the organization require mutual life insurance protection. A heavy expense would be involved in replacing the ability of a deceased partner. Has your firm considered this?
Endowment policies can be secured to provide funds for meeting an obligation such as a mortgage loan, to mature at the end of a certain period. The premiums provide the necessary "sinking fund." Had you thought of this?
Policies can be secured that will pay monthly allowances to faithful employees whom you wish to remember and who you desire may remember you. Modern insurance is adaptable to every need.
Insurance sold on all approved plans at net cost.
The Mutual Life Assurance Company of Canada. Waterloo, Ont.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
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$78,000,000.00
POLICIES ISSUED FROM $500 TO $5000
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A BRITISH COMPANY
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INSURANCE FOR BUYER AND SELLER

STRAIN OF PRESENT DAY TAKES TOLL OF INSURANCE COS.

Death Record of 1922 Low, Though Heart Disease Toll is Heavy

The death record of insurance companies in 1922 is declared to have been the lowest as yet. As reports of companies on last year's operations are issued, nearly every one takes advantage of the opportunity to point to the fact that the death rate was only 43, 44, 45 per cent. of the expected. In but one or two cases does the rate go over 50 per cent. of the expected and in no case was 60 per cent. recorded.

The situation in the United States has been identical with that of Canada. Figures taken from the reports of some forty odd companies show that there has been a big decline in mortality. The present decline has been coming on steadily since the flu epidemic of 1918. This has resulted in very beneficial gains for all the companies.

Statistics compiled by Dr. Knight of the Metropolitan Life, on insurance experiences in Canada and the U. S. in 1922, show that tuberculosis toll continues to show a material reduction. Typhoid also declined. Measles was the only children's disease that failed to show a decrease in the death rate.

Splendid gains in conditions, looked upon as preventable or controllable, are being made. Infectious diseases of children, typhoid, tuberculosis are among the leaders.

On the other hand, the "strain on life," the strenuous age, continued to exact a heavier toll. Organic heart ailments, cerebral hemorrhage and Bright's disease share honors with automobiles in the increase over 1921. Mortality from heart trouble led in 1921 with 108.6 deaths per 1,000 made the startling increase to 116.2 per 100,000 in 1922. This would total about 180,000 deaths from this cause in the U. S. and Canada. These are cases which might be referred to as reflecting personal hygiene and the general care and use of the human body by the individual. These fatalities are not limited to old people. Of the 180,000 deaths in 1922, 57,000 would be insured. Of this latter total 5 per cent. where children under 15 years, and 30 per cent. were persons under 50 years. The average age of death for heart disease is 56 years. Almost the same percentage would apply to other diseases in the "strain" class.

WINNIPEG MORTGAGE HEAD OPTIMISTIC

Western Homes Company Completes Eight Years' Operation

Western Homes, Limited, has just completed its eighth year in business, during which time it has actively engaged in the mortgage business, conferring its attention mostly to moderately priced modern houses and improved farms. It has $16,000 invested in Victory bonds. Loans average less than $2,000.

The company started business with a half million capital but later increased this to $5,000,000. Stock has been sold on the annual savings plan and to-day the subscribed capital is $2,001,000, and the paid up $600,000. Semi-annual dividends have been paid regularly since its inception at the rate of 7 per cent. per annum. The management has been taken care of by the general agents on a percentage basis; this arrangement has been very satisfactory to the directors and shareholders, inasmuch as the fees were comparatively low when the company's capital was small. The average paid-up capital for 1922 was slightly less than $500,000; the net profits for the year were $44,295.79. During the year the company collected on mortgage accounts $112,670.84; the paid-up capital was increased by $143,886.65.

Speaking of conditions in the West, Mr. Willis Argue, president and manager, stated that there has been disappointment in the West to find that it has been impossible to realize a profit on farming operations under the conditions of the last two years. "The net results from last year were particularly disappointing as crops were above the average practically everywhere, but I do not think that even the most experienced and capable farmers, favored by the most desirable climatic conditions, could have made a profit on last year's work. It is encouraging to find that the farmers are accepting the conditions through which they are passing as the natural results of the world-wide depression. They look forward now to an improvement in farming conditions in the near future."

Big Developments In Alberta Oil Field

CALGARY.—Imperial Oil Company is still pushing operations on the big new refinery here. From the recent developments in the oil field, with the bringing in of the new well with its immense gas flow, the whole situation now looms up in the south as indicating that startling developments may be anticipated in the not distant future. Even now there is a greatly renewed interest in the oil leases while there is bound to be much development in the coming season.

MUTUAL LIFE ADDS TO LARGE SURPLUS

The Mutual Life and Canada wound up 1922 with a surplus of $3,040,273, as compared with $2,243,038 in 1921, an increase of $797,235. In the same period the assets of the company rose to a total of $53,605,630 from $48,211,204. Besides caring for maturing policies, the total given includes $6,603,718 surplus which in 1921 stood at $5,790,520.

During the year the interest rate earned by the company's investments averaged 6.74 per cent., and at the same time the ratio of expense to income dropped from 18.6 to 15.96 per cent. The mortality was 42 per cent. of the expected.

New insurance for the year totalled $34,457,248 while distribution among policyholders and beneficiaries totalled $5,289,441, an increase of $1,320,164. It is interesting to note that the maturing of existing policy contracts of the company in Canada and Newfoundland call for the distribution of a total of $246,486,654.

NEW LEVELS REACHED BY THE CROWN LIFE

Gain in Insurance Last Year Just Short of Four Million

The Crown Life issued new policies for a total of $9,523,850 in 1922 as compared with $7,342,030 in 1921, a 30 per cent. increase. The net insurance gain, deducting terminations, was $4,653,870, the largest in the company's history and bringing the total insurance in force up to $34,460,044. Cash income also showed quite an increase, being $1,430,823, as compared with $1,198,599 in 1921, while assets soared to a total of $4,789,562. The gross surplus for the year was $284,565 of which $63,517 went for current dividends to policy holders, $7,123 to shareholders. In addition $16,730 and $8,006 were set aside for policyholders' and shareholders' dividends of the immediate future and the balance, $189,187, added to surplus making this total $396,258. The surplus earned during the year averaged $9.58 for every $1,000 of insurance in force at January 1, 1922; or $68.64 for every $1,000 of total assets at the same date. These earnings are extremely large. The scale of dividends to policyholders has been increased approximately 14 per cent., the new scale applying to all dividends payable in 1923.

The shareholders' dividend of 7 per cent. on the paid-up capital stock has been authorized by the board of directors for payment on March 1, 1923. After payment of this dividend the shareholders' account will have a surplus of $9,430.72, as compared with $1,424.70 a year ago.

GREAT WEST LIFE'S ASSETS $50,000,000

Company Experienced all Round Increase in Business in 1922

The Great West Life wrote $56,116,675 in new business, excluding group policies, in 1922, which is an increase over 1921 of $1,888,713, which brought the amount of insurance in force, exclusive of group, as of Jan. 1, 1923, to $316,121,936, a net increase of $29,403,171 for the year. Income also soared, reaching the total of $12,802,320 or $1,251,359 over 1921, interest earnings on investments being 7.18 per cent. Expense rates were materially reduced and the mortality rate was low.

Assets as they stood at the end of the year just fall short of the $50,000,000 mark, having been increased during the year by $6,667,747, the surplus earned during the year also showing a large increase, being $2,608,083, or $477,804 more than in 1921. Policyholder payments also soared, the distributions advancing close to a million dollars over 1921 to $3,953,527. The company has set $4,832,639 aside as a reserve for future profits to policyholders, adding $861,006 at the end of 1922, and at the same time the contingency reserve increased $500,000.

NEW MONARCH DIRECTORS

W. W. Evans, president Canadian General Securities Co. and managing director Traders Finance Corporation, Winnipeg, and R. J. Gourley, director and general manager Beaver Lumber Co., Winnipeg, are two newly elected directors of the Monarch Life Assurance Company.

Passenger earnings of the Duluth-Superior Traction Company for the third week of January amounted to $37,427 as compared with $33,514 for the corresponding period in 1922, an increase of $3,912 or 11.7 per cent.

Agency Wanted for P.Q

French bond dealers' firm, having 1,500 agents doing a large securities business in the Province of Quebec, wants exclusive or special agency for first-class fire and casualty companies in that Province. Having entered the insurance field on a small scale a few months ago, has already established wide connections with the best class of local agents. Could show results from the beginning.

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Losses Paid Since Organization, over $52,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
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THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
TOTAL ASSETS $2,792,662.00
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

Black & Armstrong
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Western Branch Managers for
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Casualty Insurance
Imperial Assurance Company
Hail — Fire — Automobile
Century Insurance Co., Ltd.
Fire
Great American Insurance Co., New York
Inland Marine — Fire — Auto
Canadian Guarantee Managers for
The Excess Insurance Co. Ltd
London — England
Guarantee Bonds — Hail Insurance

Union Trust Company
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Mark Bredin — W. C. Laidlaw — M. Ross Gooderham
S. R. Parsons — J. B. Laidlaw — A. P. Taylor — W. H. Smith — H. H. Beck

Twenty-Second Financial Statement for Year Ended December 31st, 1922

CAPITAL ACCOUNT

ASSETS		LIABILITIES	
Mortgages and other securities on Real Estate	$ 955,608.91	Capital Stock, fully paid	$1,000,000.00
Bonds and Stocks	238,460.35	Reserve Fund	450,000.00
Loans on Bonds and Stocks	54,733.26	Contingent Reserve	50,000.00
Real Estate	152,770.47	Dividend Payable Jan. 2, 1923	17,500.00
Other Assets	219,447.67	Dominion Income Tax, accrued	6,301.08
Cash on hand and in banks	53,202.12	Other Liabilities	7,584.38
		Profit and Loss	142,837.32
	$1,674,222.78		$1,674,222.78

GUARANTEED TRUST ACCOUNT

Mortgages on Real Estate	$4,014,134.23	Trust Funds for Investment	$3,659,265.56
Victory, Municipal and other Bonds and Stocks	787,743.75	Trust Deposits	1,260,860.36
Other Assets	94,276.30	Capital Account	168,432.93
Cash on hand and in Banks	192,404.57		
	$5,088,558.85		$5,088,558.85

ESTATES, TRUSTS AND AGENCY ACCOUNT

Funds and Investments	$6,538,975.53	Estates, Trusts and Agencies	$6,538,975.53
TOTAL	$13,301,757.16	TOTAL	$13,301,757.16

PROFIT AND LOSS ACCOUNT

Quarterly Dividends	$ 70,000.00		
Office furniture and equipment and portion of cost of Safe Deposit Vaults, etc.	4,536.66	Balance brought forward December 31st, 1921	$117,064.50
Taxes and Registration Fees accrued and paid to Dominion and Provincial Governments and Municipalities	13,158.28		
Balance carried forward	142,837.32	Profit for the year after defraying cost of management, expenses and interest on Guaranteed Funds	113,467.76
	$230,532.26		$230,532.26

C. D. HENDERSON, Secretary. — JAMES K. PICKETT, General Manager.
PRICE, WATERHOUSE & CO., Auditors.

Splendid Progress Made By Dominion Stores, Limited In Past Year

Sales Show Increase of Nearly 50%, Net Earnings Increased 72%; 68 New Stores Opened During the Year. Company Said to be Largest Retail Distributor of Groceries and Provisions in Canada

COMMON STOCK PAYS INITIAL DIVIDEND

The Dominion Stores, Limited, annual statement for the year 1922 shows a remarkable growth in both gross sales and net earnings over the previous year. Gross sales for 1922 were $5,059,508, as compared with $3,461,153 for 1921, showing an increase of approximately 47% while net earnings covering the same period were for 1922, the year just ended, $100,092, as against $58,245 for 1921, a gain of about 72%. Going back still farther to 1920, the first full year of operation, gross earnings are given as $2,401,631, and net $34,679, and in this respect it is of interest to point out the percentage of net profit to sales, which figures are given as follows: 1920, 1.44%; 1921, 1.68%; 1922, 1.98%. Thus, it will be seen that for the three-years' period during which the Company has been established not only have gross sales and net profits shown a phenomenal gain, due, of course, to the constantly increasing number of stores, but it also shows a most excellent and steady increase in the percentage of profit on the total turnover—and this in turn reflects the efficient management which Dominion Stores has always had.

The Company is at present operating 190 stores, all within the Province of Ontario, and arrangements are now under way for the establishment of a warehouse in Montreal, which will serve the Quebec territory where it is planned to install from 50 to 75 stores during the next six months.

The Company has always paid dividends regularly on its Preference shares, and quite recently there was declared an initial dividend of $1.00 per share for the Common stock (no par value), which is payable in two instalments during the current year. Indeed, the surplus account as of January 1st shows an amount applicable to distribution on the Common, which approximates $4.50 per share for this issue.

BETTER METHODS TO SOLVE WEST'S FARM PROBLEMS

Too Great a Tendency to Gamble in Raising of Wheat

GOOD CROPS ASSURED

Records of Production and Prizes Won Give Assurance of This When Proper Course is Followed

From Our Own Correspondent.

REGINA.—M. P. Tullis, field crops commissioner for Saskatchewan, emphasizes the necessity for crop diversification and rotation. The farmers who engage in grain growing alone, he warns, soon materially lessen the productivity of the soil. As a protection to the farmers themselves and in order to maintain the fruitfulness of the soil, it is necessary that a variety of crops be grown.

Not only is Western Canada now producing the second largest annual wheat crop of any country in the world, but other crops, cereals and vegetables are being grown in increasing abundance. Within the last 12 years Saskatchewan farmers have carried off no less than 229 prizes for grains, grasses and vegetables entered at international shows.

Success which has attended exhibition of their products in competition with the best that can be procured elsewhere on the continent, should not be lost on farmers of the prairie provinces and should direct attention more and more to the possibilities of successful diversified or balanced farming.

Only when the wheat yield is poor does even temporary interest appear to be aroused in other crops. When the curve of wheat prices and wheat yields show a pronounced upward swing, this interest in garden crops and animal husbandry, apparently ceases. In the search for a large speculative return, men are overlooking a certain, though comparatively moderate, income.

Mixed Farming Wins

Farmers who are weathering the present time of financial stress best, are those who have followed the plan of raising that class of farm products which render their living expense unaffected by the condition of the commercial crop, wheat. If the latter crop is a failure they can still fall back on the reserves of garden products, chickens, ducks, beef raised on the farm and pork fed from grain and other commodities which otherwise would have been wasted.

Looking back over the record of the past seventeen years in Western Canada, it is found that only in four years did the wheat crop average twenty bushels or more to the acre. In many of those seventeen years, and particularly in some districts, the crop failures were many. In spite of this the farmer does not appear to have yet learned the lesson and the gambling for large returns goes on.

Better Methods Needed

George Edwards, vice-president of the Saskatchewan Grain Growers' Association, has advocated the appointment of another Royal Commission to investigate the whole problem of agriculture. Though few would begrudge expenditure entailed in this connection if the commission would confer any real benefit, it is difficult to see just where a commission could assist. The ailments of western agriculture are fairly well known and lack of practicing the first principles of farming is one of the chief ills. Economic conditions in customer nations is another factor. The latter is beyond the control of the agrarian population of the west, but the former can and should be remedied. It explains the anomaly frequently found of two men, farming halves of the same section of land—one poor and constantly in debt; the other with well-fed and clothed family, with no great wealth, it is true, but satisfied and prosperous. The reason is, he does not put all his eggs in one basket.

THE POPULAR CIGARETTE

China is Now Becoming a Big Consumer

The world will have the American cigarette. It bought 12,000,000,000 of them in 1922 against slightly more than 2,000,000,000 in the year preceding the war, and the number of countries to which they were sent in 1922 is 80 as against 50 in 1913. The total value of the exports of cigarettes in 1922 is approximately $24,000,000 against less than $3,000,000 in the year preceding the war.

Curiously, too, this growing demand for our cigarettes comes chiefly from a section far distant from that in which the war occurred—the Orient. To China alone the exports of cigarettes in 1922 were 8,500,000,000 against 641,000,000 in 1913, and the sum sent to us in payment therefor from China alone was $17,000,000 against $1,000,000 in 1913.

DOMINION GUARANTEE CO.

Dominion of Canada Guarantee and Accident Insurance Co. earned $1,326,794 last year, $1,275,246 being premium income, while investments repaid, $152,621, stock premium $34,000 and cash on hand brought the total to $1,588,485 at the end of the year. Disbursements of various kinds, including dividends, of $1,444,640 left a balance of $35,934 carried forward.

Surplus and liabilities total $500,479, the assets being $1,382,196, made up of $900,343 debentures and other securities, head office building net.

TORONTO SAVINGS

Fourteen Per Cent. Again Paid To Shareholders

Although the profits of the Toronto Savings and Loan Company, Peterborough, for 1922, at $144,251 were somewhat lower than the $156,856 reported for 1921 the company was able to pay 12 per cent. dividends with a bonus of 2 per cent. and add over $4,000 to the surplus of profit and loss. Following are comparative figures:

	1922	1921	1920
Net profits .	$144,251	$156,856	$155,825
Bal. forward.	75,674	58,818	42,993
	219,925	215,674	198,818
Dividends . .	140,000	140,000	140,000
Balance .. .	79,925	75,674	58,818
	219,925	215,674	198,818

Following are features of the company's earnings for the past eight years:

	Profits	Div.	% on Cap.	Earn. Rate
1922	$144,251	12+2	14.4	6.6
1921	156,856	12+2	15.6	7.4
1920	155,825	12+2	15.5	7.3
1919	148,389	10+4	14.8	7.0
1918	147,903	10	14.7	7.1
1917	150,554	10	15.0	7.4
1916	148,486	10	14.8	7.4

DROUGHT KEPT DOWN BARCELONA'S TOTAL

Net Earnings for 1922 Were Over Four Million Pesetas

Barcelona's earnings showed an increase in net earnings of 4,008,890 pesetas for 1922, the total being 46,728,300. Gross earnings were 46,728,300 pesetas, an increase of 9,027,870. Operating expense for the year was just over 4.7 of the income.

Net earnings for December showed a decrease as compared with December, 1921, owing to the necessity to operate steam plants due to the drought. Normal operations during this month would have reduced the operating ratio of the year.

The figures for the year are:

	Pesetas		
	Gross	Net	Net Inc.
1921—			
December .	3,820,393	2,561,712	519,072
1922—			
January . .	4,074,494	2,519,811	439,562
February .	3,417,663	2,343,540	16,615
March .. .	3,937,152	2,499,055	634,147
April	3,813,281	2,276,208	457,097
May	3,654,917	1,960,224	210,056
June	3,617,712	2,088,174	313,633
July	3,708,509	2,127,200	433,519
August . .	3,599,168	2,197,335	524,390
September..	3,810,785	2,252,330	256,333
October . .	4,081,364	2,628,952	670,646
November..	4,478,246	2,796,796	301,232
December .	4,535,009	2,344,602	x217,110
1922 total	46,728,300	37,700,430	9,027,870
1922 net .	28,034,227	24,025,337	4,008,890

xDecrease.

December detailed items are:

	1922	1921	Inc.
Gross. earn.	4,535,009	3,820,393	714,616
Oper. Cost. .	2,190,407	1,258,681	931,726
Net earn. .	2,344,602	2,561,712	*217,110

*Decrease.

BIG RESERVE TO PUBLIC LIABILITY

London and Western Trusts Company in Unique Position

The marked increase in volume of business of the London and Western Trusts Company during 1922 is reflected in earnings of $113,290, compared with $40,255 in 1921 and $73,932 in 1920. The company was thus able to take care of dividends and other charges, write off $6,405 for depreciation, add $55,000 to the reserve fund and still substantially increase the balance. Following are comparative figures:

	1922	1921	1920
Earnings . . .	$113,290	$40,255	$73,932
Taxes	11,129	9,807	8,363
Written off . .	....	3,075	1,500
	11,129	12,882	9,863
Net profits . ..	102,161	27,373	64,069
Bal. forward ..	5,628	13,255	14,186
	107,789	40,628	78,255
Dividends	35,000	35,000	35,000
Dep. reserve ..	6,405	....	....
Reserve	55,000	....	30,000
Balance	11,384	5,628	13,255
	107,789	40,628	78,255

The expansion of the company's earnings in recent years is indicated in the following summary:

Year	Paid-up Capital	Profits	% Div.	prod av. cap.	Earn rate
1922 ..	$500,000	$102,161	7	20.4	12.1
1921 ..	500,000	27,273	7	5.4	3.7
1920 ..	500,000	64,069	7	12.8	9.1
1919 ..	500,000	61,135	7	12.2	9.0
1918 ..	500,000	53,113	7	10.6	8.0
1917 ..	500,000	50,551	7	10.1	7.8
1916 ..	500,000	51,651	7	10.3	8.2
1915 ..	500,000	53,486	7	10.8	9.2

The president, Arthur T. Little, points out that the reserve fund now stands at 55 per cent. of the paid-up capital placing the company which has no public liability of any kind in an unique position.

Total assets stand at $13,057,357, as compared with $13,333,535 a year ago. Capital account is given at $797,095, against $734,378 and estates, trusts and agency account at $12,260,262 against $12,588,479.

WINNIPEG ELECTRIC

	Dec. 1922	1921	Increase
Gross	$556,687	$547,361	$ 9,325
O. Ex. & Tax	365,566	379,027	*13,460
	$191,120	$168,334	$22,786
Fixed charges	77,621	89,339	*12,217
Net Div. In. ..	$113,498	$ 78,494	$35,004

* Decrease.

KEELEY ATTACKS RICH FIND

The remarkable showing of silver ore at the Keeley mine which was left untouched until it could be photographed by the Ontario Government has been shot into. The remarkable width of four to five feet of high grade ore was found to be local, but the drift face shows two feet of 5,000 to 7,000-ounce ore.

GROWING SURPLUS OF UNION TRUST

$127,000 Has Been Added to Profit and Loss Balance in Five Years

During the last five years the surplus in the profit and loss account of the Union Trust Company has increased from $15,702 to $142,837, the policy of the directors being to strengthen the Company's position rather than strain resources to increase dividends. The profits last year were $113,467, as compared with $111,943 in the previous year—an increase of $1,523.99. With the balance of $117,064 carried forward from 1921 there was a total of $230,532 for distribution. Out of this sum $70,000 was paid in dividends, $4,536 written off expenses in connection with safety deposit vault and furniture and $13,158 taxes paid to municipal, Dominion and provincial governments.

There remained a balance of $142,837, which was carried forward, this account being increased by $25,772. Following are comparative figures:

	1922	1921	1920
Profits	$113,467	$111,943	$110,142
Vault	4,536	7,779	6,632
Taxes	13,158	13,935	13,342
Net profits .	95,772	90,229	90,166
Bal. forward.	117,064	96,835	76,668
	212,836	187,064	166,834
Distribution—			
Dividend	70,000	70,000	70,000
Balance	142,836	117,064	96,835
	$212,836	187,064	166,835

Following are features of the Company's earnings record for the past six years:

Year	Paid-up Capital	Profits	% Div.	Prof. Cap.	earn. Rate
1922 .	$1,000,000	$95,772	7%	9.5	6.4
1921 .	1,000,000	90,229	7%	9.0	6.0
1920 .	1,000,000	90,116	7%	9.0	6.0
1919 .	1,000,000	102,603	7%	10.2	6.8
1918 .	1,000,000	98,363	7%	9.8	6.7
1917 .	1,000,000	91,937	9%	9.1	4.8

The total assets of the Company amounted to $13,301,757 as compared with $13,340,227 at the end of 1921—a decrease of $38,480 due to adjustment in the values of securities to bring them in line with the market quotations as at the end of the year. At the annual meeting held on the 8th, the former board was re-elected and, subsequently, Henry F. Gooderham was re-elected president and Dr. J. H. McConnell, vice-president.

WESTERN FARMERS DO NOT ASK RADICAL CHANGES IN BANK ACT

(Continued from Page 9)

was the result of a policy dictated by the banks. No one can deny the hardship which has been due to the deflation in agricultural prices proceeding faster than the deflation in other prices. But it cannot be assumed that the deflation is, in the long run, an evil; or that it could have been avoided.

It was the main concern, not so much of the banks and financiers, as of the governments of every country involved in the war to bring about as soon as possible after the conclusion of peace the readjustment of economic conditions in order to avoid far more serious developments, in order to avoid, that is to say, complete economic collapse and a series of political revolutions which might easily have destroyed modern civilization. Reduction of prices, and the cessation of the process of inflation which was sending the cost of production steadily higher, were imperatively demanded. The policy of deflation was forced upon nations and governments, upon banks and financial institutions, by economic necessity and by public opinion.

Unequal as have been the effects of deflation, and heavily as they have hit agriculturists in particular, it is difficult to imagine that any wise people will listen to the plausible arguments of those who invite them to inflate prices again by artificial means or to resort to the expedient of issuing "soft" money—of inflating the currency—in a vain endeavor to escape the reckoning which must inevitably be made. The nations are now being called upon to meet their obligations, entered into willingly as a means to victory in the war. Loans were made by individuals and associations of private citizens engaged in legitimate business. The need of the moment was necessarily the determinant of the terms of the loans—the rate of interest and the conditions and time of repayment. Does anyone seriously propose that these obligations shall be repudiated because the economic consequences of the war, which are similar to those of previous wars, have to be contended with if those who lent money to their governments in time of need are now reaping an undue return in principal or interest as the result of deflation in commodity values, the remedy lies in adjustment of taxation to that condition, or in some special effort to reduce the national obligations to the level of present commodity values. The problem cannot be solved by new inflations of the currency or the destruction of established and serviceable financial institutions.

The relations of agriculturists to the banks in the peculiar economic conditions which are a legacy from the war are a proper subject for inquiry and discussion. So are those defects in the banking system which are of a different character. The fitness of the existing banking system to cope with the needs of agricultural communities has frequently and properly been questioned. The banks have built up their system of borrowing and lending the surplus purchasing power of their clients to meet the needs of industry and commerce, not so much those of agriculture. For this fact there is a sound historical explanation. The banks appear to be unable to lend money to farmers for sufficiently long terms or at a sufficiently low rate of interest. It is often felt that the centralized control of the Canadian banking machinery works injury to agricultural interests as contrasted with commercial and industrial interests. It may be doubted whether there is now sufficient competition among banks in Canada to maintain the lowest rates of interest and ensure the best terms to borrowers.

On the other hand, the depleted credit of the farming communities—as shown in the admitted magnitude of their present indebtedness—and the uncertain nature of the results of their labor may justify, to some extent, the high rates of interest and the difficulty in obtaining new loans. The facilities for satisfying the demands of agriculture for credit are inadequate. The claims of agriculture to financial service by the banks have never been sufficiently considered; but it is noteworthy that virtually every country is faced with this problem of agricultural credit and rural banking and that no solution for it has obtained universal recognition. All these considerations render reasonable the request of the Canadian Council of Agriculture for an inquiry into the banking institutions of Canada. The results of such an inquiry would enable more reliable conclusions to be formed regarding the adoption of some form of co-operative banking for farmers. The development of rural credit schemes could be proceeded with rapidly, or pursued cautiously, as the evidence disclosed might determine. Exposure of the facts about the existing banking system could not but be of great value, not only to farmers but to all others.

A further question arises regarding the form of the inquiry. Shall it be conducted by a Royal Commission or by a committee of the House of Commons? An inquiry conducted independently of the House of Commons would seem to be desirable. The House will find itself fully occupied with the minor amendments to The Bank Act, which are required in any event, and with its usual business. A really exhaustive examination of the banking problem will take more time than can be given by a committee of the House of Commons.

HAVE YOU A PURPOSE IN LIFE?

If you have, why not insure it?

A $10,000 Policy in the Commonwealth on the Ordinary Life Plan Guarantees

Table of Monthly Deposits on $10,000

Age	Deposit
30	$20.80
35	24.20
40	28.70
45	34.70
50	42.70

FIRST, that in case of death from any cause, the face of the policy will be paid, viz: **$10,000.**

SECOND, that in case of **accidental** death, **double** the face of the policy will be paid, **$20,000.**

THIRD, that if totally disabled from sickness or accident, the Company will waive all deposits during such disability and pay to the insured during a like period a **monthly income of $200.**

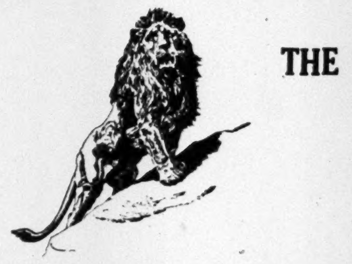
Please send me sample policy on this plan.

Name.................................. Age nearest birthday....

Address ....

THE COMMONWEALTH LIFE
and Accident Insurance Company

Head Office, Hamilton, Ontario. Ernest Miles, 81 Victoria St., Toronto.



THE MONARCH LIFE ASSURANCE COMPANY

HEAD OFFICE, WINNIPEG, MAN.

1922 Business Surpasses All Previous Records

COMPARATIVE SUMMARY, 1921-22 RECORDS

	1921	1922	Increases	
ASSURANCE				
In Force	$29,118,808.00	$32,431,349.00	$3,312,541.00	14%
New and Revived	7,439,491.00	8,738,863.00	1,299,372.00	17%
AVERAGE NEW PREMIUM	34.00	36.70	2.70	8%
CASH PREMIUMS AND INTEREST....	855,650.35	1,011,357.04	155,706.69	18%
POLICY CLAIMS	68,675.00	75,109.00	6,434.00	9%
Percentage of Expectancy	28%	27%		
INTEREST RATE	7.77%	7.88%	.11%	
Average Past 12 Years, 7.78%				
POLICY RESERVE	2,196,581.61	2,674,752.00	478,170.39	22%
INVESTMENT RESERVE		25,000.00	25,000.00	
ASSETS	2,411,128.96	3,000,373.85	589,244.89	24%
NET SURPLUS, Exclusive of Paid-up Capital of $100,793.38.......	76,870.76	154,020.76*	77,200.00	100%

INVESTMENT DISTRIBUTION—Bonds and Debentures, 52%; First Mortgages, 29%; Policy Loans, 14%; Real Estate, 2%; Cash, 2.4%.

*After paying in 1922 Policy-Holders' Dividend, $24,286.81; Shareholders, $7,055.53 at the rate of 7% per annum upon paid-up stock, and after reduction of general equipment, $7,628.62, as well as setting aside $25,000.00 for Investment Reserve.

Participating Policy-holders Continue to Receive Liberal Dividends

Total Assurance Doubled Each Four-year Period

1910—$3,009,746 1914—$7,427,697 1918—$15,171,309 1922—$32,431,349

DIRECTORS AND OFFICERS

President
W. A. MATHESON
Director Sterling Bank and Standard Trusts Company, Winnipeg.

Vice-President
F. W. ADAMS
Adams Bros. Wholesale Saddlery, Winnipeg and Toronto

Managing Director
J. W. W. STEWART

W. L. PARRISH
Parrish & Heimbecker, Grain Merchants, Winnipeg.

COL. H. A. MULLINS
Director U. S. Fidelity and Guaranty Co.; Vice-President Royal Canadian Securities Co., Winnipeg.

W. J. BLAKE WILSON
Vice-President P. Burns & Co., Vancouver and Calgary.

H. W. ECHLIN
Echlin Manufacturing Company, Winnipeg.

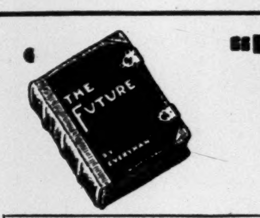
W. W. EVANS
President Canadian General Securities Co., and Managing Director Traders Finance Corporation, Winnipeg.

R. J. GOURLEY
Director and General Manager Beaver Lumber Co., Winnipeg.

Secretary and Actuary
J. A. MACFARLANE, A.I.A.

Assistant Actuary
H. P. MORRISON, A.A.S.

Treasurer
G. J. TELFER.



"The Future"

BY

EVERYMAN

(Reviewed by the Canada Life)

You All Know the Title.
Briefly, Here is the Story:

What Happens to 100 Average men of 25 upon reaching age SIXTY-FIVE.

No. 1—ONE only will be wealthy.

No. 2—FOUR will be well-to-do and able to enjoy comfort and recreation.

No. 3—FIVE will still be working for a living, with no prospect of relief from drudgery.

No. 4—FIFTY-FOUR will be dependent upon friends or relatives or charity.

Experience

shows that of 100 average healthy men 25 years of age the following facts will be true at sixty-five years of age:

ONE only will be wealthy.
FOUR will be well-to-do.
FIVE will still be working for a living.
THIRTY-SIX will be dead.
FIFTY-FOUR will be dependent upon friends, relatives or charity.

In View of These Facts

Can you afford to lightly regard the Future when a small deposit set aside regularly each year will guarantee you in cash at age 65 the sum of

$2,000 $5,000 $10,000

or more, depending upon your ability to save?

The Endowment at 65

issued by the Canada Life will solve the problem of your Future and guarantee a happy ending to your life story.

It is a Certainty

The full amount of your policy w[illegible] paid in any case, whether you live o[illegible] Other investments may depreciate [illegible] value or fail. This is a certainty. T[illegible] guarantee will take care of your hom[illegible] or your business, or your personal inte[illegible]ests, as nothing else can.

Whatever your circumstances may b[illegible] later on in life, you will welcome a fund of a few thousand dollars. You may need it then.

Ask for particulars of this policy

Canada Life
Assurance Company
HEAD OFFICE
TORONTO, Canada

Established 1847

Canada Life Assurance Company, Toron[illegible]
Dear Sirs:— Without obligation on my part send me particulars of your Endowment at Sixty-five.
Name ....
Address ....
Age ....

TENDERS WANTED

Debentures for Sale.

The School Commissioners of the

CITY OF HULL

Public notice is hereby given that the School Commissioners of the City of Hull will receive from now up to the 20th February, 1923, at 4 o'clock p.m., at the office of the undersigned, written tenders for the purchase of debentures of the said Commissioners of the City of Hull amounting to $100,000.00 issued under a resolution adopted May 16th, 1922.

The said debentures of the par value of five hundred and one thousand dollars each are payable the 1st day of July, 1952, and bear interest at the rate of 5½ per cent. per annum, payable half-yearly on the 1st day of July and January in each year at the office of the Secretary-Treasurer of the School Commissioners of the City of Hull.

All tenders shall be under seal marked "Tender for Bonds" addressed to the Secretary-Treasurer of the School Commissioners of the City of Hull, and must specify whether the price offered does or does not include the interest accrued on said bonds at the time of delivery.

Every tender must be accompanied by a certified cheque equal to one per cent. of the par value of the issue.

All the information will be furnished on application.

The School Commissioners of the City of Hull do not bind themselves to accept any tender.

Given at Hull this 1st day of February, 1923.

JOS. PROVOST,
Secretary-Treasurer,
Hotel-de-Ville St., Hull, Que.

Corporation of the City of Trail, B. C.

TENDERS FOR DEBENTURES

Tenders will be received by the undersigned up to 5 p.m. on Monday, February 19th, 1923, for the purchase of $11,980.29, 6%, 20-years, local improvement sinking fund debentures. Denomination $500.00 and one debenture for $480.29. Debentures are dated February 1st, 1923. Interest payable semi-annually on February and August 1st. Debentures are ready for immediate delivery. Interest and principal payable at Bank of Montreal at Trail or Toronto.

The highest or any tender not necessarily accepted.

WM. E. B. MONYPENNY,
City Clerk.

The Royal Bank of Canada

DIVIDEND NO. 142

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT (being at the rate of twelve per cent per annum) upon the paid up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Thursday the first day of March next, to shareholders of record at the close of business on the 15th day of February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January 16, 1923.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 144

Notice is hereby given that a dividend of three per cent upon the paid-up capital stock of this bank has been declared for the quarter ending 28th February, 1923, payable at the bank and its branches, on and after Thursday, 1st March next, to shareholders of record at the close of business on the 13th day of February, 1923.

By Order of the Board,

JOHN AIRD,
General Manager.

Toronto, 19th January, 1923.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Thursday, the FIRST day of MARCH next, to Shareholders of record of 31st January, 1923.

By order of the Board,

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 19th January, 1923.

DIVIDEND NUMBER 107

Hollinger Consolidated Gold Mines Limited

(No Personal Liability)

[illegible] dividend of 1% upon the outstand[illegible] [illegible]ital stock of the Company has [illegible]red payable on the 26th day [illegible], 1923, on which date cheques [illegible]led to shareholders of record [illegible] of business on the 9th day [illegible]ry, 1923.

[illegible] the 2nd day of February, 1923.

D. A. DUNLAP,
Treasurer.

[illegible]UPUIS FRERES LTEE

DIVIDEND NOTICE

[illegible]otice is hereby given that a dividend [illegible] 2% for the quarter ending the 31st [illegible] of January, 1923, being at the rate [illegible] 8% per annum, has been declared on the paid-in Cumulative Preferred [illegible]ck of the Company to shareholders [illegible] record at the close of business on [illegible] 31st day of January, 1923, and pay[illegible]e on the 15th of February, 1923.

[illegible]y order of the Board.

ARMAND DUPUIS,
Secretary-Treasurer.

[illegible]ntreal, 31st of January, 1923.

Town of

Newmarket

Debentures for Sale

Tenders will be received by the undersigned up to and including Feb. 19th, 1923, for the sale of $94,000 bitulithic pavements debentures. The debentures are for 15 years at 5½% per annum. No tender necessarily accepted.

P. J. ANDERSON,
Treasurer.

$1,872,000

CITY OF QUEBEC

10 Year or 15 Year or 30 Year

or

(Serial) 1 to 37 Year Bonds Rate 5%

The BANK OF MONTREAL, ST. ROCH BRANCH, QUEBEC CITY, P.Q., is authorized to receive on behalf of the City of Quebec sealed tenders for the purchase of an issue of $1,872,000, dated February 1st, 1923. The said tenders being for:

10 year maturing February 1st, 1933; or 15 year maturing February 1st, 1938; or 30 year maturing February 1st, 1953; or 1 to 37 year (serial) bonds maturing in annual instalments, 1924-1960 — bearing interest at the rate of 5% per annum payable half-yearly on February 1st and August 1st. Principal and interest payable at the Bank of Montreal, Quebec (St. Roch Branch), or Montreal, or Toronto, at the option of the holder. Bonds will be in denominations of $100, $500 and $1,000 each, with interest coupons attached.

Tenders may be made for ten year, fifteen year, thirty year and one to thirty-seven year bonds (serial), but the City will only accept one, if any.

Delivery and payment are to be made at the Bank of Montreal, St. Roch Branch, Quebec, on or about March 12th, 1923. Every tender must be accompanied by a certified cheque payable to the City Treasurer for one per cent. of the total amount of the issue. Tenders must be addressed to the Manager, Bank of Montreal, St. Roch Branch, Quebec City, P.Q., Canada, marked "Tender for City of Quebec Bonds," and delivered not later than 3.30 p.m., February 15th, 1923.

Tenders must be for the whole amount offered. No tender for any part of the issue or for securities not precisely as described above or varying the terms of payment and delivery, will be considered. The highest or any bid will not necessarily be accepted.

The successful tenderer will pay the accrued interest on the bonds from February 1st to date of payment.

Any further particulars or information may be obtained upon applying to the Bank of Montreal, St. Roch Branch, Quebec City, or to the City Treasurer, Quebec.

All tenderers are invited to be present at the opening of the tenders at 4 p.m., February 15th, 1923, at the City Hall, Quebec.

EUROPEAN UNREST MOST UPSETTING TO EXPORT TRADE

(Continued from page 1)

called in their special collectors. Agents state that collections are slow at present; they were fair in the fall months but have been dwindling since the holidays.

General Conditions

General conditions continue with little change but with indications of continued industrial and trade expansion after the post-holiday period. This is particularly the case in the United States where general business is regarded as good and getting better. A year of prosperity is being looked forward to by the Cleveland Trust Company, "with increasing profits, rising prices, rising wages and advancing costs of living." However, these are hardly signs of healthy or lasting prosperity and there is a growing fear amongst conservative business men that inflation may again widen the unsatisfactory breach between the prices paid for farm products and the cost of manufactured goods in which organized labor plays such an important part.

TO MEET YELLOW MERCHANTS AT THEIR OWN GAME

Business Interests in British Columbia Are Waking Up

From Our Own Correspondent.

VICTORIA.—Business interests are co-operating with municipal authorities in British Columbia's population centres to provide effective competition against the Chinese and Japanese merchants. Hundreds of Chinese and Japanese are now engaged in peddling produce and recently they have branched out into general grocery lines and are selling canned goods and almost every variety of merchandise to be found in the average grocery store. This activity not only hurts the white truck farmer, who is unable to produce at the low prices of the Oriental on account of his higher and more expensive standard of living, but it is becoming increasingly harmful to the grocery trade.

The farmers of Saanich, an agricultural district north of Victoria, are now working on a co-operative plan to establish a fleet of auto trucks and compete with the Orientals in their own field. It is probable that municipal subsidies will be asked for until the enterprise gets firmly on its feet economically. In the absence of restrictive legislation, farmers and merchants have reached the conclusion that the only way to beat the Asiatic is to meet him on common ground and put up a united front. The trouble in the past has been that consumers have been asked to support white industry on sentimental grounds. The producers believe that by intensive effort and co-operation it will be possible to appeal to the consumers in a practical way by offering actually better values than the Orientals—something that has not always been possible in the past.

In the meantime Oriental aggression is having a marked influence in practically all the principal industries of the province. Of the 438 grocery licenses taken out in Vancouver in 1922, 171 were for Orientals. Figures given out by Attorney-General A. M. Manson show that the 2,275 industries in British Columbia employ 5,691 Chinese, 3,288 Japanese, 784 Hindus and 70 Japanese women. The proportion of Orientals among employees in the various industries of the province is as follows:

Logging camps, 7½ per cent., lumber mills, 41 per cent., sawmills, 39 per cent., shingle mills, 54 per cent., baking establishments, 16 per cent., fishing, 39 per cent; fruit canning, 15 per cent., coal mining, 15 per cent, pulp and paper, 37 per cent. That is only a partial list, and agriculture is not even mentioned.

Court Judgment Goes Against Clarke Brothers

Judgment in action of Charles H. Jones & Co. of New York to secure damages from Clarke Bros., Limited; A. G. Macintyre and W. G. Clarke of Bear River, Nova Scotia, on ground that bonds sold them were represented to be first mortgage bonds, when there were already two prior bond issues of Company outstanding, has been given by Justice Russell of Nova Scotia court in favor of plaintiffs.

Mount Royal Hotel is Passing Estimate

From Our Own Correspondent.

MONTREAL. — The reports of earnings of the Mount Royal Hotel for the month of January far exceed expectations and the Company is now running well over the estimate of earnings for the year, the aggregate of which was set at $1,000,000. Most of the rooms are already occupied and in addition the rush of social affairs with meetings of various kinds and conventions for which the Hotel is admirably fitted, have proven much more profitable than expected. The cafeteria in the basement is now operating and various activities have been brought to a paying point earlier than had been anticipated. At the present time the Hotel is earning far more than its bond interest and if the first month's record can hold up to any considerable extent the dividend of 8 per cent. will be earned after the debentures change into preferred stock on July 1 of this year.

Hydro Laws Like Those Of Medes and Persians

The Gregory Commission is still trying to get the Hydro Commission to accept a business-like arrangement for the sale of 10,000 horse power or so of energy from the Nipigon development to the Great Lakes Paper Company. That there should be such a situation is simply an example of bull-headed Hydro methods. The Hydro has a form of contract which protects itself from everything and its customers from nothing. So one-sided is this agreement that the Great Lakes Company found that American bankers would not consider raising the necessary millions for the new plant with such a string tied to the mortgage. There the matter has stood for months. The company wants to go ahead and must use Hydro power. Hydro with a white elephant development which is costing the province about $[illegible]00 000 a year to develop unused power refuses to consider the changing of the printed lettering of one of its form contracts.

Notice of Dividend

Famous Players Canadian Corporation, Limited

NOTICE is hereby given that a Dividend of $2.00 per share for the quarter ending 1st February, 1923, has been declared upon the Preference Stock of the Company, payable on the 28th February, 1923, to shareholders of record Saturday, February 10th, 1923.

By order of the Board.

N. L. NATHANSON,
Managing Director.

Canada Flour Mills Company, Limited

Notice is hereby given that a quarterly dividend of 2 per cent. has been declared on the preferred shares of this company, payable February 15th to shareholders of record at the close of business January 31st.

The annual general meeting of the shareholders will be held at the Head Office of the company in Chatham, Ont., the 24th February, at two o'clock p.m.

By order of the Board,

H. V. DALLEY,
Secretary-Treasurer.

Chatham, January 30th, 1923.

Dividend Notice

EASTERN THEATRES LIMITED

(Pantages Theatre, Toronto)

NOTICE is hereby given that a dividend of 3½% on the Preference Shares of the Eastern Theatres, Limited has been declared, payable on March 1st, 1923, to Shareholders of record February 10th, 1923.

By order of the Board.

N. L. NATHANSON,
Managing Director.

The Toronto General Trusts Corporation

Year of Steady Progress Reflected in Forty-first Annual Report.

Total Funds under administration now exceed One Hundred and Twenty-Nine Millions.

THE FORTY-FIRST annual general meeting of the shareholders of The Toronto General Trusts Corporation was held at the Corporation's head office, Toronto, on Wednesday, the 7th day of February, 1923, at 12 o'clock noon. The president, Hon. Featherston Osler, K.C., D.C.L., occupied the chair and the following reports for the year ended December 31st, 1922, were read and submitted by Mr. A. D. Langmuir, the general manager.

To the Shareholders:—Your Directors have pleasure in presenting the Forty-first Annual Report of the Corporation, together with the statement of Assets and Liabilities as at 31st December, 1922, and Profit and Loss Account for the year.

The gross profits for the year, after making provision for all ascertained or anticipated losses amount to $854,668.65; from this amount is deducted the administration expenses, including salaries, Directors' and Auditors' fees, and all other expenses, amounting to $513,944.72, making our net profits for the year $340,723.93. To this amount the sum of $200,378.45 brought forward on the 1st January, 1922, must be added, making a total of $541,102.38, which has been appropriated as follows:—

To payment of quarterly dividends Nos. 103, 104, 105 and 106, at the rate of 12% per annum	$240.000.00
To amount provided for Federal Income Tax	$30,000.00
To amount written off the Corporation's Safe Deposit Vaults at Toronto and Winnipeg, and Office Equipment Account at Winnipeg	15 507.31
To amount written off Head Office and Winnipeg Branch buildings	111,247.50
To amount transferred to Contingent Reserve Fund	25,000.00
To balance carried forward to credit of Profit and Loss	119,347.57
	$541,102.38

The Assets and Liabilities statement shows an increase of assets over the preceding year of $8,843,598.37 or a total volume of assets now in the hands of the Corporation of $129,097,041.42.

All which is respectfully submitted.

A. D. LANGMUIR, General Manager. FEATHERSTON OSLER, President.

Toronto, January 23rd, 1923.

ASSETS

CAPITAL ACCOUNT—			
Office Premises and Safe Deposit Vaults at Toronto, Ottawa, Winnipeg and Vancouver		$1,000,000.00	
Rents		5,469.49	
Real Estate held for Sale		196,596.43	
Mortgages: Principal	$2,366,494.99		
Interest due and accrued	95,150.01		
		$2,461.645.00	
Agreements for Sale: Principal	$185,445.27		
Interest due and accrued	12,583.75		
		$198,029.02	
Loans on Dominion of Canada, Provinces of Canada, and Canadian Municipalities' Securities		189,009.21	
Loans on Stocks and Bonds		120,415.08	
Dominion of Canada and Provinces of Canada Securities		40,381.64	
Canadian Municipalities' Debentures		2,932.00	
Real Estate Bonds		45,008.37	
Loans or Advances to Trust Estates under Administration by the Corporation		337,875.00	
Other Assets		423.01	
Cash in Chartered Banks	$184,399.09		
Cash on Hand	275.00		
		$184,674.09	
			$4,782.458.34
GUARANTEED TRUSTS ACCOUNT—			
Mortgages: Principal	$6,417,050.03		
Interest due and accrued	407,792.58		
		$6,824,842.61	
Dominion of Canada Securities		525,397.12	
Canadian Municipalities' Debentures		849,739.03	
Loans on Dominion of Canada, Provinces of Canada and Canadian Municipalities' Securities		231,240.18	
Cash in Chartered Banks		202,284.42	
			$8,633,503.36
ESTATES, TRUSTS AND AGENCIES ACCOUNT —			
Investments negotiated by the Corporation		34,166,768.58	
Sundry Assets		8,456.59	
Cash in Chartered Banks		2,235 588.12	
		$36,410,813.29	
Original Assets, Including Real Estate, Mortgages, Debentures, Stocks and Bonds at Inventory Value		79,270,266.43	
			$115,681,079.72
			$129,097,041.42

LIABILITIES

CAPITAL ACCOUNT—		
Capital Stock Subscribed and fully paid	$2,000,000.00	
Reserve Fund	2,500,000.00	
		$4,500,000.00
Contingent Reserve Fund		75,000.00
Dividend No. 106 due January 2, 1923		60,000.00
Appropriation for Federal Income Tax		28,110.77
Profit and Loss		119,347.57
		$4,782.458.34
GUARANTEED TRUSTS ACCOUNT—		
Guaranteed Trust Funds for Investment	$8,633,503.36	
		$8,633,503.36
ESTATES, TRUSTS AND AGENCIES ACCOUNT—		
Trust Funds for Investment or Distribution	36,410,813.29	
Inventory Value of Original Assets of Estates and Agencies under Administration by the Corporation	79,270,266.43	
		$115,681,079.72
		$129,097,041.42

On motion the following Shareholders were appointed Directors for the ensuing year:—Hon. Featherston Osler, K.C., D.C.L.; Hamilton Cassels, K.C., LL.D.; Major-Gen. Sir John M. Gibson, K.C.M.G., K.C., LL.D.; Wellington Francis, K.C.; Hon. A. C. Hardy, Lieut.-Col. R. W. Leonard, J. Bruce Macdonald, Hon. Sir Daniel H. McMillan, K.C.M.G.; Lieut.-Col. John F. Michie, J. G. Scott, K.C.; Sir Edmund B. Osler, Sir Edmund Walker, C.V.O., LL.D., D.C.L.; E. C. Whitney, E. T. Malone, K.C.; H. H. Williams, Robert Hobson, Thomas Bradshaw, F.I.A.; C. S. Blackwell, W. L. Mathews, A. D. Langmuir.

At a subsequent meeting of the Directors the following officers were elected:—President, Hon. Featherston Osler, K.C., D.C.L.; Vice-Presidents, Hamilton Cassels, K.C., LL.D.; Major-Gen. Sir John M. Gibson, K.C.M.G., K.C., LL.D.

The Inspection Committee was re-elected, namely:—Hamilton Cassels, K.C., LL.D., Chairman; Major-Gen. Sir John M. Gibson, K.C.M.G., K.C., LL.D., and Wellington Francis, K.C.

The following members were elected to the Advisory Boards at Ottawa, Winnipeg and Vancouver:

Ottawa—W. D. Hogg, K.C., Chairman; Sir George Burn, Nelson D. Porter, Alexander Maclaren and C. Jackson Booth.

Winnipeg—Hon. Sir Daniel H. McMillan, K.C.M.G., Chairman; H. H. Smith, W. H. Cross, Frederick T. Griffin and Frank L. Patton.

Vancouver—A. H. Macneill, K.C., Chairman; Eric W. Hamber, F. B. Pemberton and R. P. Butchart.

Copies of the Annual Report containing a full account of the proceedings, and the addresses of the President and General Manager mailed on request.